ENERGY AND THE AGED: THE WIDENING GAP

HEARING

BEFORE THE

SPECIAL COMMITTEE ON AGING

UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

SECOND SESSION

ERIE, PA.

FEBRUARY 19, 1982

Printed for the use of the Special Committee on Aging

U.S. GOVERNMENT PRINTING OFFICE
96-211 O WASHINGTON: 1982

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402

S14-17

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CONTENTS

Page

Opening statement by Senator John Heinz, chairman 1

CHRONOLOGICAL LIST OF WITNESSES

Grygo, Katherine, Erie, Pa 3
Kline, Mildred I., Erie, Pa 4
Wood, Merle E., coroner, Erie County, Pa 6
Frisch, Dr. Jack A., Clearfield, Pa., executive director, Clearfield County Area Agency on Aging, Inc 8
Rutkoski, Victor S., Erie, Pa., energy assistance program coordinator, Erie County Board of Assistance 17
Wiley, R. Benjamin, Erie, Pa., executive director, Greater Erie County Community Action Committee 19
Wood, Charles A., Erie, Pa., administrative assistant, department of public affairs, National Fuel Gas Distribution Co., accompanied by William J. Hill, vice president of operations, Pennsylvania, and Ronald G. Butterson, administrative assistant, consumer business, Pennsylvania 24

APPENDIX

Material related to hearing:
Letter and enclosure from Michael W. Mowrey, coroner, Clearfield County, Du Bois, Pa., to Senator John Heinz, dated February 16, 1982 39
Statement of the Reverend Vincent L. Enright, Department of Community Action, Erie, Pa 43
Statement of Bob Lathrop, Erie director, Pennsylvania Public Interest Coalition, Philadelphia, Pa 43
Statement of Louis S. Meyer, Northwest Pennslyvania Consumer Council, Edinboro, Pa 45

ENERGY AND THE AGED: THE WIDENING GAP

FRIDAY, FEBRUARY 19, 1982

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Erie, Pa.

The committee met, pursuant to notice, at 10 a.m., in room 104, Zurn Hall, Gannon College, Erie, Pa., Hon. John Heinz, chairman, presiding.

Present: Senator Heinz.

Also present: Michael Rodgers, Joseph P. Lydon, and John Hanson, professional staff members.

OPENING STATEMENT BY SENATOR JOHN HEINZ, CHAIRMAN

Senator HEINZ. Ladies and gentlemen, welcome to this hearing by the Special Committee on Aging of the U.S. Senate. I am very pleased to be here in Erie today to examine, firsthand, some of the problems associated with the high fuel costs and the difficulties of senior citizens and others who must contend with high fuel bills.

I am going to abbreviate my opening statement so that we can spend as much time with our witnesses as possible. There are only a few copies of my opening statement left. If you want one, just leave us your name and we will be happy to send you a complete copy of it.

Basically, the purpose of the hearing is to get information on the record to convince my colleagues in Washington, D.C., who are going to be voting on the fiscal 1982 budget in the next weeks and months, that the low-income energy assistance program which is supposed to be funded at least $1.8 million, and the weatherization program which has been funded at $150 million, are necessary, good programs, and that even if we funded them to the authorized limit, we would still only serve a fraction of the needs that exist in this country today.

The Department of Health and Human Services estimates that there's some 20 million households in this country that are eligible for and need low-income energy assistance. The Department of Energy estimates that there's some 12 million households in this country with low income and in need of weatherization.

Clearly, the programs we have, even if fully funded, will be totally inadequate to meet these needs.

The second purpose is to make sure that people in the communities across this country—fuel suppliers, utility companies, social service agencies, and volunteers understand that no matter what we are successful in doing this year, even if we shout a resounding. "No" to the budget cuts in low-income energy

assistance and weatherization proposed by the President—and he has proposed to cut low-income energy assistance by $400 million and to eliminate weatherization. That even if we prevail, as I hope we do, our efforts will need to be supplemental by community efforts, by industry efforts, and efforts of concerned people.

We hope to develop additional testimony today, therefore, from the industries themselves on what they can do, what they are thinking of doing, and from community people as to suggestions as to how these people are supposed to cope with, either as consumers or as suppliers, with the very difficult situation.

I would only add that we have had a great deal of difficulty in selecting from all the many people who would like to be a part of these hearings today. Because of time constraints, obviously, we can't accommodate everybody. But I do want to assure to those who are here, that if you have a statement, we would be happy to put it in the hearing record. If we have time at the end of the hearing we will be happy to take verbal statements. I can't guarantee you how much time we will have, but that's the reason I am abbreviating my opening remarks. I do encourage all of you to express your views using, if necessary, this piece of paper that was handed out. And we will make sure your views, if you didn't have a chance to express them, will be made part of our hearing record.

Finally, I would like to express my deep gratitude to Ben Wiley and his staff of the Greater Erie Community Action Committee, as well as Dr. Thomas Kalkhof, president of the Erie County Council on Aging for their assistance in making this hearing possible. And, of course, I would like to thank Father Vincent Enright of the Coalition for Human Dignity for his help and assistance. He and his group have been working very closely with my staff and Mike Rodgers for the last several weeks. And I also want to thank Sister Carolyn and the senior advocate office for their input into this hearing. Finally, I want to thank Gannon College for making this space available. I am very grateful to all these people.

[The prepared statement of Senator Heinz follows:]

PREPARED STATEMENT OF SENATOR JOHN HEINZ

I am indeed pleased to be with you today in Erie to examine, firsthand, the burden of high fuel prices and the severe winter on older Americans. The Special Committee on Aging is here because the only way to judge the effectiveness of such Federal programs as low-income energy assistance and weatherization is to get beyond the statistics and computer printouts that we have in Washington, and find out what is actually going on in the the community. I am here today to document a shocking fact of life in America today—that fact that many of our senior citizens are now forced to decide between heating and eating.

We know that the elderly poor must pay an average of one-third of their incomes on home fuel, and as much as half of their incomes in the Northeastern States, like our own State of Pennsylvania. In contrast, the average American household spends less than one-tenth of its income on fuel. So millions of families headed by older persons must face the impossible decision between food and fuel. For them the fear of each month's utility bill is often greater than the fear of crime or concern for one's health.

We know that high fuel prices have been an incentive to conservation for many Americans, but there are really two kinds of conservation. There's investing in storm windows, attic insulation, and weather stripping—but that is only for those who can afford it. For the elderly poor, cutting back on fuel consumption too often means shutting off rooms, using the oven for heat, or, when all else fails, falling victim to fatal hypothermia.

In 1977, almost 1,000 people died as a direct result of excessive cold. Experts tell us that's just the tip of the iceberg, and hypothermia may be the root cause of death for as many as 25,000 older Americans each year.

It wasn't supposed to be this way. When we grappled with the problem of energy shortages and dependence on foreign oil, and as President Carter decided that decontrol of oil was in the national interest, to free us all from OPEC's control, we all acknowledged an overriding responsibility that the elderly and the most vulnerable in our society would not pay the price of our national energy problems. We enacted the windfall profits tax and we specifically proclaimed that a substantial amount of it be used to help fund low-income home energy assistance. The logic of that action was clear and—in my judgment—compelling. With that declaration, Congress said that the benefits of decontrol would be shared with those who suffer from decontrol.

That was the theory. Right now it seems a lot more like theory than practice. Congress looks a lot like Pontius Pilate, assuaging guilt and nagging responsibility with a program—and then washing its hands of the whole thing through steady reductions in funding because the Government supposedly can't afford it.

Last year, proposals came before Congress to reduce the low-income energy assistance program from $1.8 to $1.4 billion, and to eliminate the weatherization program entirely. Congress didn't buy that last year; we funded energy assistance at $1.75 billion and weatherization at almost $150 million. I am proud to have been in the forefront of those supporting adequate funding for these programs every step of the way, including last week's supplemental appropriation that added $123 million to the hardpressed LIEAP program. But now we see these same cuts have been proposed again. In my view, backtracking on our promises to the poor and elderly—those whose survival is at stake—is not only unfair, it undermines the credibility and even the legitimacy of our Government.

I believe these hearings will answer the question of whether or not there is a "widening gap" between the resources of Federal energy assistance and weatherization programs and the size of the needy population. I believe the answer is a clear yes.

For example, the Department of Energy estimates that some 12 million households remain eligible for weatherization and the Department of Health and Human Services tells us that as many as 20 million households may be eligible this year for low-income energy assistance. We currently serve a fraction of this need.

One cautionary note. Even if we clearly demonstrated to all in the Congress the need to sustain or increase this program, Federal efforts will still solve only a fraction of the problem. And that is why we must actively seek out innovative ways of getting consumers, community groups, government, and the energy industry to share the responsibility for providing energy relief to the poor and elderly. Unless we succeed in closing the "widening gap"—those people will continue to suffer and risk their lives. Some have already lost that gamble. None of us in or out of government, should remain on the sidelines.

Senator HEINZ. Now I would like at this time to call our first witness, which is really a panel of four: Katherine Grygo; Mildred Kline; Merle Wood, the Erie County coroner; Dr. Jack Frisch, the director of the Clearfield County Office on Aging.

Ladies and gentlemen, would you please come forward to our witness table.

Mrs. Grygo, would you mind being our leadoff, our first witness.

STATEMENT OF KATHERINE GRYGO, ERIE, PA.

Mrs. GRYGO. Being on a fixed income makes it very hard for me to meet all my essentials of life. In my situation such as I am in right now, I don't receive any other income except my social security and a little of my rent. And with my doctor bills and all the other expenses that I have to meet within this budget, without what I did get for my utility bill and that helped me some. And I look forward to it very much, because other than that I just don't understand how I could make these essentials of my life.

So I really hope that this continues. And I am sure there are many more people in the same situation as I am. And I understand that without this I could never meet up with all my expenses such

as I have in keeping up my home. And I hope to continue doing so for as long as I can.

And I would appreciate if more help would come to everyone that is in need of such.

Senator HEINZ. Did you have your home weatherized?

Mrs. GRYGO. Yes, I did. But it's not done according to what they had promised me. They said that because of the cuts, that that's all they were allowed to do. And I was looking forward to having my attic insulated, which at that time they had promised to do so. And my basement also. They had done some work but because of the cuts at the time, the workmen just said that that's all they were allowed to do.

Senator HEINZ. Do I understand that you have some trouble with arthritis?

Mrs. GRYGO. Yes, very much so. And that's another point. I am under a doctor's care, and with my bills, with my prescriptions, and that it's really a big amount of my money that has to go into that. Because without that I don't know. And another thing, my home has to be kept warm on account of my arthritis, as I cannot take the cold.

Senator HEINZ. What temperature does your doctor recommend you keep the house at?

Mrs. GRYGO. Well, he also recommends for me to take up swimming and different things to help myself. He also recommends for me to go to a warmer climate, which I can't afford.

Senator HEINZ. Thank you. I will return for some additional questions in a minute. I would like to go to Mrs. Kline.

STATEMENT OF MILDRED I. KLINE, ERIE, PA.

Mrs. KLINE. For the past 2 years I have received the energy assistance grant. Since I have been a widow for the past 12 years, living on 82 percent of my late husband's social security with a small savings to rely on for emergencies, the energy assistance program has been a tremendous help to me.

In order to live decently on my small income, I have economized to the best of my ability. I make my own clothes, and buy the least expensive food. Luckily, I have not been ill recently, so my medical expenses are minimal. There are jobs around the home that I cannot do. Since my children live out of town and are unable to help me, I must pay to have major jobs done, such as plumbing, and also for small jobs that I could once do, such as snow shoveling. I do allow myself some social activities but only those which are low in cost.

In the area of energy I have conserved greatly. I have storm windows, use weather stripping, keep my water tank on the lowest temperatures possible, and have closed off portions of my home in the winter. My heat is keep at 68° during the day, but I must confess that on occasion I have had the temperature at 70° in the evening. At night I turn the thermostat down to 55° and wear a sweater.

Although it takes months to receive the energy assistance grant after the application has been made, it does not cause a problem for me because I budget money to allow for the months when the

heating bills are the highest. Later when my heating expenses are paid for by the grant, I use my money to meet other necessary expenses.

If for some reason the energy assistance grant was not available in the future, it would impose a hardship for me. The only area I feel I could reduce my expenses to allow more money for heating bills would be food. Perhaps I could deplete my savings to pay heating bills, but if I would have an unexpected home maintenance expense or medical expense, this might place me in financial jeopardy.

In conclusion, I would like to emphasize that I am grateful for the energy assistance and am conserving energy to obtain maximum benefit from it.

Senator HEINZ. Mrs. Kline, could you tell us roughly what your monthly income might be?

Mrs. KLINE. $403.

Senator HEINZ. $403?

Mrs. KLINE. Yes.

Senator HEINZ. I want to enter into the hearing record the circumstances of the family that I visited yesterday in Altoona, Pa., who actually had a higher income then you. They have, together with their social security, $552 a month, and $29 a month in food stamps. But their fuel bills run roughly $120 a month, their taxes run approximately $230 a year, but that doesn't include the State rebate. Their medical expenses run extraordinarily high because Mr. Hess has had a stroke. Mrs. Hess has an ulcer, possibly from taking care of Mr. Hess. They live in their own home, a very modest home. They do their best as to conserving heat. Because he has a stroke they can't turn the temperature down too far because he is already cold all the time, even at 70°. As Mrs. Hess told me, his arms, hands, and feet always feel like a cake of ice, even with 70° in the home. And that because of their medical bills, as well as their energy costs, their monthly expenses total $639 a month, or about $50 more than they have in income.

And obviously, the local energy assistance program is a matter of survival for them. If they're unsuccessful, and there is a possibility that one more medical bill—they already owe $600 in doctors' bills that they try to pay at $5 a month—there is a possibility that if there is one more episode where the doctor bills them that they will simply not be able to make it in their own home, and Lord knows what will happen to them.

They may have to be put in a boarding home. They might be luckier and find someone to move in with, a relative. But they are on the verge of losing their independence and possibly their dignity as a result.

I just want to enter that into the hearing record because it's an example of some people who, although they have more income than you, are in worse shape than you are. And so I think it gives my colleagues a little bit better idea of the different kinds of difficulties that people can run into.

I thank you very much for your testimony and I will be back to you in a few minutes.

Mr. Wood, may I thank you very much for taking time from your duties to be present here.

STATEMENT OF MERLE E. WOOD, CORONER, ERIE COUNTY, PA.

Mr. WOOD. Thank you, Senator. I was asked several days ago to comment on the dangers of hypothermia, and its causes.

Hypothermia, by definition, is a body temperature below 98.6° or 37° C. Today we are mainly concerned with accidental hypothermia, which is the unintentional and dangerous fall in body temperature on exposure to a cold environment. This occurs in infants and in the newborn, and particularly during operations. They also occur in the elderly. Years ago we never heard of hypothermia because it was given a general term of exposure. Even though we have had three recent deaths here in Erie County, classified deaths related to hypothermia, I do not profess to be an expert in this manner of death.

There are systemic changes and local damage in hypothermic cases. Especially important is the degree of deviation from the normal temperature, the presence or absence of moisture or humidity, the duration of exposure, wind chill factors, impairment of circulation, and whether there was chilling, subfreezing, or actual freezing. This affects mostly the skin and the nerves and the body circulation.

The systemic effects of the exposure would also vary. Long duration of the exposure, winds, high humidity, preceding diseases, physical or emotional strain, exhaustion, weakness, and old age lower the resistance.

The effect depends on whether only parts of the body, or whether the whole body are exposed. Weak and decrepit, malnourished elderly people are very vulnerable to exposure, as are alcoholics. Effects of the cold slows down the heartbeat or rate. This eventually allows the brain to become engorged with blood thereby stopping the circulation and other body functions.

I have a couple case histories, short ones. The hypothermic rectal temperature of an individual was found to be 64.4° F. This patient was found in a frozen coma, but he did survive. Unfortunately, his gangerous limbs had to be amputated.

As this first speaker mentioned; I would like to bring a comment on her. Another case history; a lady, 56 years of age, was found dead in her poorly heated trailer during very cold weather. She had been well until 3 years prior to her death, when she developed rheumatoid arthritis. She began to deteriorate 4 days before her death and complained of difficulty in breathing.

Symptoms preceding death by exposure are dizziness, drowsiness, and unconsciousness.

I do have testimony from a colleague of mine in Clearfield County, Coroner Michael W. Mowrey who was asked to testify today but unfortunately was unable to be here. I do have some things of his that I would like to enter into the record for the hearing.[1]

This involves a woman who was found dead in her home on January 17 of this year. She was brought to the hospital in Du Bois by ambulance from her residence. Her body was extremely cold but without significant rigor mortis. Residence of the subject described

[1] See appendix, page 39.

by the ambulance personnel was very cold inside. When she arrived at the hospital she had a body temperature of 82°. This was obtained rectally. She was placed in a thermal blanket and her external body temperature was brought up to 100° F. And she was pronounced dead there in the emergency room.

Senator HEINZ. Coroner Wood, is that a copy of the death certificate?

Mr. WOOD. Yes; that is, Senator. Just a couple more comments on this individual. The room in which she slept and the bathroom in which she was found were both heated by a small coal stove located in the kitchen. The amount of heat which she would receive from this source can be described as minimal, if any at all. When she collapsed she fell to the linoleum and was dressed only in night clothes. She was found there sometime later by her son.

And he does have a few comments. If you don't mind I would like to read them.

Senator HEINZ. Please.

Mr. WOOD [reading].

Hypothermia is acutely dangerous in the very young and the very old, especially those with poor circulatory problems.

I think a lot of the elderly have poor circulatory problems and they're cold all the time, particularly in the winter when they wear their long underwear.

The general public, I find, for the most part are unaware of how really severe hypothermia can be. Also, they are unaware of how easy it can be to develop this life-threatening situation.

To add to his comments, he has four suggestions which are in his record for dealing with hypothermia.

Senator HEINZ. Would you mind reading those suggestions into the record. I would like the people in this room to know what they are.

Mr. WOOD [reading].

Suggestions for dealing with the situation of hypothermia: One, an aggressive campaign each year prior to the arrival of cold weather to alert our citizens of the possibility of this occurring. Alert our elderly against heavy or constant use of antipyretic drugs during the periods of prolonged cold weather. To the county agency for aging: Establish its clients who do not have an adequate heat source in their home, and establish if they are physically able or physically capable of maintaining an adequate level of heat in their homes. If necessary, these individuals should be checked with periodic frequency to assure that their health is not in danger. Four, strengthen legislation for emergency fuel allocations, especially in regards to the elderly citizens.

Senator HEINZ. Coroner Wood, thank you very much. Before I ask Jack Frisch to proceed, let me observe that yesterday when I was in Blair County, although I didn't visit this particular person, the day before they had found an elderly woman in a very rural area of the county, wrapped only in an electric blanket. The temperature in her house was the same as the temperature outdoors, very cold. And her only source of heat was an electric blanket in which she was wrapped. That is how they found her. She had no heat from any other source in the house. Luckily, they found her.

It is estimated that, according to authorities, there are 1,000 documented cases, such as the one you testified to, on hypothermia per year. But that is only the documented cases. The estimate that

we have received from experts in the field is that the real number is closer to 25,000 a year.

When you hear about the choice between heating and eating, the fact is that many elderly citizens take risks in order to heat, in order to eat, to pay for their medicine. And in taking those risks of reducing their heat or not having their heat or not reordering their fuel, they pay for taking those risks with their lives. And that is what I think you very eloquently testified to.

There is one other thing that I would like to bring to everybody's attention. This is a hypothermic thermometer [indicating]. It is different from the normal thermometers in that it starts with 100° and goes down to 82°. Most thermometers start at 96° or 95° and go on up to 105°, 110°. This is probably the single most important life-saving device for senior citizens. It costs $8. It's American made. It is available, in fact, here in Erie at all three Erie hospitals.

It is, however, not commonly available at many, if not most, hospitals in the Northern United States. We don't have any statistics for Pennsylvania. But we know that in New York State, and it's a comparable State in some respects because they have more severe winter weather than ours because it's further north, only half of the hospitals have this thermometer.

And the fact is that if you are an elderly citizen and your temperature gets below about 95°, 94°, you can be in very, very serious trouble. And indeed, it appears that the lady that Mr. Wood testified to—she fainted apparently while she was up during the night because of hypothermia. She fell to a cold linoleum floor and they estimate that she had been lying there for 4 to 6 hours when she expired. Estimated time of death was 5 a.m. That is how hypothermia can directly kill. It doesn't have to kill you when you're sitting there. It can kill you as a result of fainting spells when you least expect it.

Dr. Frisch, please proceed.

STATEMENT OF DR. JACK A. FRISCH, CLEARFIELD, PA., EXECUTIVE DIRECTOR, CLEARFIELD COUNTY AREA AGENCY ON AGING, INC.

Dr. FRISCH. As we all know, this winter has been a very severe one. And most of us have felt the effects of it. January has been called the snowiest month on record and we experienced some of the coldest days in living memory. The effect of these extremes has been devastating on the elderly.

I live in Clearfield County, the fourth largest geographical county in the Commonwealth of Pennsylvania. It's a very large rural county. Over 25 percent of the elderly population of the county live alone, and 25 percent of these elderly live at or below the poverty level.

The impact of the energy assistance programs for the elderly of Clearfield County is of major proportions. Many elderly individuals would die from hypothermia if this assistance was discontinued. However, energy assistance is only half the problem; the other half can be remedied by continued and/or increased funding of weatherization-type programs. With inadequate housing and/or inefficient heating systems, many of the benefits derived from the energy as-

sistance program simply go up faulty flues or escape between cracks in the walls.

I will present several case studies to show what has already happened during this winter.

Case No. 1, which you already heard about, is a 73-year-old woman that was found dead in her bathroom on January 17, 1982. The county coroner declared hypothermia as the cause of death. She lived in a home which can be described as being inadequate. She had no central heating. The house was heated by a portable space heater upstairs and a coal stove in the kitchen. There was no heat in the bathroom where she was found.

She lived alone, although our agency records indicate that her son lived close by in a mobile home. Because of the severe cold that weekend that woman was most likely not even aware that she was experiencing hypothermia. I talked to the coroner and he estimated that it was 22° below zero outside.

The National Institute on Aging points out that, "An elderly person may seem unaware of the cold." While we may begin to shiver and even put on sweaters, an elderly person may insist that he or she is comfortable. Most victims of accidental hypothermia neither shiver nor turn pale, a very clear indication that something is wrong with their temperature responses. However, they are unable to pick up on these clues, they perceive their situation as normal until it is too late. They black out, lapse into a coma, and if not detected early on, the victim succumbs to death.

There are many social circumstances that precipitate hypothermia, such as living alone, low income, and the concomitant effect of not being able to afford adequate insulation from the cold. No doubt several of these factors combined to cause the demise of this 73-year-old woman.

No amount of testimony presented here will restore this woman to life. However, we can prevent more of these cases from occurring. The following cases illustrate several potential situations in which hypothermia could occur.

Case No. 2: An 80-year-old woman living alone in a remote rural area in a rundown house with broken windows; the interior of the house is filthy and beyond repair. Only sources of heat are a coal stove in the kitchen and one in the living room; neither are properly fired. To complicate matters, both stoves are attached to the same flue and the woman is afraid to fire the stoves hot. The kitchen stove pipe is in poor condition.

When visited by two caseworkers, the house was so cold that water dripping from a tap in the kitchen sink froze, even though there was a small fire in the kitchen stove. The rest of the house was no warmer than 45°. The client refused to acknowledge that she was cold and stated that she always lived with very little heat.

When arrangements were made to house the client elsewhere during the cold snap, she refused. She also refused to accept the suggestion that she wear woolen pants. The eventual solution was nothing more than a "Band-Aid" approach.

A kerosene heater was borrowed for a short while from the local community action agency. However, this only complicated matters. The client encountered difficulty in obtaining the proper fuel and filling the heater. She even filled it with gasoline, thus creating a

life-threatening situation. Our agency worked with a local church in obtaining a quartz heater for the woman. However, the wiring was inadequate and as soon as she plugged in the heater she blew all the wiring out. The minister of the local church, along with some of the members of his church, repaired the wiring. The quartz heater now receives very heavy use.

Another case: A 76-year-old woman living in another house in very poor condition with no running water or inside plumbing. Only source of heat for the past 2 years has been a quartz heater because her coal stove had been broken and needs over $1,000 worth of repairs.

The kitchen was so cold during the January cold spell that the water in the plastic jugs, which she kept in the house, froze. The client wears many layers of clothing to keep warm and only lives in two rooms of the house. The kitchen and the bedroom. She cooks her meals over a hot plate. To alleviate the problem, a neighbor did the necessary wiring and installed an electric heater. Rooms remain cool, but are tolerable.

Another case: An elderly couple, he is 90 years old, she is 92. They have a 57-year-old daughter living with them. Only sources of heat are a coal stove in the kitchen and a coal heater in the living room. Rooms are too large to be heated by these sources of heat. The flue is defective and needs to be replaced. However, the clients cannot afford one. Therefore, they only burn a small fire. The clients try to dress warmly, but refuse to acknowledge that they are cold and will not seek warmer shelter.

And if you look through the photographs,[1] you will see a case of another one. A 76-year-old man was found living in the woods——

Senator HEINZ. Are these pictures identified as to——

Dr. FRISCH. I will have to take them back and have the caseworkers identify which ones go with which cases. But you will find one in there of several boards laying against a tree.

Senator HEINZ. Yes; I was wondering about that.

Dr. FRISCH. A 76-year-old man was found living in the woods on an old homestead and this is what was left of where he was living. He was cooking over an open fire. His family would have nothing to do with him. His problem had an easier solution. The agency convinced him to move into a subsidized elderly housing unit. He had no possessions whatsoever. He was cooking over an open stove, camping out in the woods while it was snowing. Somebody brought it to our attention and we convinced him to move into an elderly subsidized housing unit.

Case No. 6 is a 75-year-old woman who may have to give up her house where she has lived for 55 years. Her fuel bills are too high for her to pay on her fixed income. Her income puts her $15 above the eligibility level for fuel assistance. As a result, she does not eat properly, trading off proper nutrition for fuel. She has closed off her upstairs and has put her bed in the laundry room.

The last case that I will present is an 87-year-old woman who lives alone in a large house. Her oil bills run close to $300 a month. Her income is too high for her to be eligible for fuel assistance. Consequently, she must trade off either food or fuel. She has

[1] Retained in committee files.

chosen to cut back on her fuel and keeps her house too cold. To compensate for the lack of adequate heat, she dresses in extra layers of clothing.

All of these cases are potential sources of accidental hypothermia. One does not have to be subjected to extreme cold to suffer from accidental hypothermia. It can occur in environments where the inside temperature falls below 65°. As long as elderly persons are forced to trade off fuel and warmth for food and clothing, and vice versa, we will continue to see many cases of hypothermia.

The frail elderly are the ones most likely to experience hypothermia. These people cannot afford to purchase the needed fuel to keep warm. Furthermore, many do not eat adequately and, therefore, do not produce enough internal fuel for the body to keep warm. Many drugs affect thermoregulation and impair the body's ability to maintain the proper temperature level. Some of the common drugs used by the elderly which impairs thermoregulation are: Barbiturates, tranquilizers, antihypertensives, vasodilators, and antidepressants. Those elderly who suffer from strokes and nervous system disorders have a reduced temperature sense and a decreased ability to respond to lower temperatures by shivering and other mechanisms for conserving body heat. Poor blood circulation can produce an attenuated response to thermoregulation as will arthritis and hypothyroidism.

Perhaps one of the major issues we should address is the classic tradeoff that the elderly make—eat or heat. If money is spent on heat then there is little left for food. Food is needed by the body to produce heat. Inadequate nutrition balance can lead to a decrease in body heat production.

While we have a number of Federal programs to provide nutrition to the elderly, we obviously cannot meet the needs of everyone. Most nutrition programs provide one hot nutritionally sound meal once a day during the week. Weekends seem to pass by.

What we need are stronger energy assistance programs. Not just money for fuel, but funds to repair and/or convert inadequate heating systems into ones that will be efficient. But what good is paying for fuel if half of it finds its way up faulty flues and escapes out between cracked windows, cardboard windows, and inadequately insulated buildings?

Many of the potential causes of hypothermia are ones we will have to live with. They are deeply rooted in sociocultural behavior patterns. Many elderly women will not wear warm slacks. They do not think it is "ladylike." Most elderly, no matter how inadequate their housing, are afraid to leave. They fear institutionalization and/or loss of their homes. They have their pride and refuse to acknowledge that they are vulnerable to the cold. Because many of them live alone, they cannot receive the needed medical attention when accidental hypothermia sets in. Weekends are a risky period. Often during the week many frail elderly are monitored by human services personnel, either volunteers who deliver home delivered meals to these individuals, or by case managers, and by friendly visitors, and telephone reassurance programs.

In conclusion, I would like to point out that there is not a single solution to the problem. We need more fuel assistance programs for the elderly, more weatherization, and more education. Our hospi-

tals and paramedic units must be equipped with the proper instruments for detecting and treating hypothermia.

Senator HEINZ. Dr. Frisch, I would like to compliment you on doing something that is very difficult to do, which is to give a vivid picture to the committee of seven different people, who obviously, for a variety of reasons could never get here on their own, maybe under any circumstances from Clearfield County.

The examples that you cited and the suggestions from Clearfield County should be repeated hundreds, maybe thousands of times over in the 67 counties in our State. Particularly where you mentioned the problems of nutrition that the elderly have to trade off. Next week, Thursday, the 25th, in Washington, the Aging Committee will be having a hearing on nutrition and hunger and the elderly. And obviously, any information that anybody here cares to provide will be most welcome.

Let me also note that your pictures are extraordinary. And I am going to return those to you so you can get those identified. There is one picture that I might ask you about. It shows a shack with boards nailed on the outside, and it looks like tar paper. It looks like the tar paper is just about all. Because there is a hole on one part of the house and there is just some plastic sheeting. And it looks like the entire wall of the house, where it is not a piece of plastic sheeting, is a piece of tar paper. Have you seen this house?

Dr. FRISCH. No, I haven't seen the house. But the biggest problem that our caseworkers have encountered is that during the cold spell we made arrangements for these critical situations to find temporary housing over the weekend. I must point out weekends are a very vulnerable time. I think that if we recorded when the cases of accidental hypothermia occur in the elderly, it is probably greatest over the weekend because there is no one there to constantly monitor them. And people just refuse to leave—they lived there all their life. They are afraid that if they leave, their children or a relative will sell the house out from under them. They will stick it out and sit there and be cold, and just refuse to listen to reason. And it is a very difficult situation. I think a lot of it is the timelag in which the money gets to these people, also.

Senator HEINZ. I am going to return now to Mrs. Grygo and Mrs. Kline. We are very, very grateful to you for being here. You clearly not only care just about the program, but your fellow citizens. And I am extremely grateful and I know our committee is extremely grateful. It is not easy to get up and face the microphone and a few television cameras and a bunch of people, and I am deeply appreciative.

Let me ask you, Mrs. Grygo, this question. Can you speculate, can you guess what might have happened to you this winter if, let us say, your low-income energy assistance benefits had been reduced by about one-third? One-third is about the extent to which the program is being proposed to be cut. What would happen to you if you got about one-third of this money cut? Or, for that matter, if somebody else got the assistance and the program, because of less funds, couldn't help you. What would happen to you in either of those circumstances?

Mrs. GRYGO. I really don't know. I would be very desperate, I must say. Because as far as I am concerned that has been of extreme help to me.

Senator HEINZ. Well, let us say there were no funds for the program. Would you be able to go on?

Mrs. GRYGO. No; I would perhaps have to move out. That would be my only solution. Because other than that I have no one else to turn to for any kind of other help.

Senator HEINZ. Mrs. Kline, how about you?

Mrs. KLINE. Well, I think I am a little bit more fortunate in that I do not have a major medical problem right at the minute. And there are a lot of others that are really more destitute than I am.

Senator HEINZ. You think you might have been able to make it without the program?

Mrs. KLINE. I would have had to.

Senator HEINZ. But how would you have done that?

Mrs. KLINE. I would have had to economize wherever I could.

Senator HEINZ. Where would you economize; food?

Mrs. KLINE. I think so. You can't get away with not paying taxes, and such, and utilities. You don't have them very long if you do.

Senator HEINZ. Well, what do you spend on food now, do you think?

Mrs. KLINE. I really don't keep too much account of it, you know.

Senator HEINZ. Couldn't say?

Mrs. KLINE. No, not to the penny.

Senator HEINZ. Well, if you had to cut back to the tune of what the program gave you, which is what, several hundred dollars?

Mrs. KLINE. $191.

Senator HEINZ. Would that have made a big dent in your food budget?

Mrs. KLINE. I would think, sure.

Senator HEINZ. I would think so, too.

Coroner Wood, you mentioned a moment ago that one of the problems we have in this country is that we really don't have very good information on hypothermia. Have you found that there are some predisposing factors to hypothermia?

Mr. WOOD. Yes; as I mentioned earlier, elderly people with poor circulatory problems in their systems. Most of them suffer from heart disease, and as I said earlier, they are not aware that they are being affected until it is possibly too late to do anything about it. Some people become delirious, remove their clothes, and eventually fall asleep, and become unconscious. And once that happens, unless somebody finds them, they are going to pass away.

Senator HEINZ. Coroner Wood, both you and Dr. Frisch have outlined some of the specific steps that people should be alerted to, and what communities should do, and what social service agencies should do. You were kind enough to read into the record the four suggestions. Dr. Frisch explained in some depth what he thought was some of the complicating factors that may arise from medication, other than physical conditions. And indeed, there are a series of practical steps which you have helped us put on the record. Some of those steps are common knowledge; others are not.

I have with me here today 300 copies of a simple, readable, but I think, highly informative factsheet that I hope anybody from social

welfare agencies, local governmental advocates, will take full advantage of. This sheet happens to be prepared, with our help, for the Center for Environmental Physiology, in cooperation with the U.S. Administration on Aging.

And although we only have 300 of these present, if you need more, I think we can help you get more either from the committee or directly from the Center for Environmental Physiology in Washington, D. C.

It tells about the need for a hypothermic thermometer. It gives some tips on how you can handle colder weather. And it is not a bad idea for every elderly person that might be a potential victim to receive a copy of it. You can help us to distribute these.

[The factsheet referred to follows:]

A Message For Older Adults

COLD WEATHER SPELLS DANGER

HYPOTHERMIA

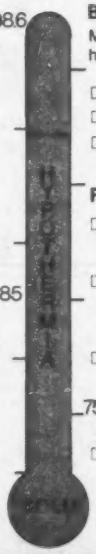
Winter creates a special danger for older adults because many are vulnerable to cold. In cold weather, millions of older people risk developing a dangerous condition called Hypothermia. Hypothermia means low body temperature. It is caused by exposure to cold. The most common victims are older persons who have difficulty keeping themselves or their homes warm.

BODY HEAT

In order for your body to work properly, its temperature needs to be around 98.6°F (37°C). If cold causes your body temperature to drop below 95°F, your heart begins to slow down, your body becomes weak, and your mind becomes confused. You could die.

PREVENTION

The best way to *prevent hypothermia* is to stay warm. If room temperatures are cool or cold, dress warmly. This is your strongest defense against hypothermia.



BE ALERT

Many things can increase the risk of becoming hypothermic.

- ☐ Living In A Cold House
- ☐ Poor Diet
- ☐ Alcohol
- ☐ Stroke or Diabetes
- ☐ Taking Certain Prescription Drugs

FACTS ABOUT THE COLD

- ☐ Temperatures do not have to be below freezing for hypothermia to develop.
- ☐ Room temperatures below 70°F could be dangerous if you are not dressed warmly enough.
- ☐ One of the most dangerous things about hypothermia is that it causes your mind to become confused. This prevents you from recognizing the danger and seeking help.
- ☐ Many older adults die in their own homes without ever reaching the hospital because friends and relatives do not recognize that they have hypothermia until it is too late.

HOT TIPS FOR COLD WEATHER

DRESS WARMLY

- ☐ **Wear several layers of clothes. Avoid tight clothing. Loose clothes will trap a lot more warm air around your body. Mittens are warmer than gloves.**
- ☐ **Keep your clothes dry and change long underwear or socks if they become damp or wet.**
- ☐ **Wear a windproof outer layer when you are outdoors.**

KEEP YOUR HANDS AND FEET WARM

- ☐ **If your hands and feet are cold, put on a hat. This will cause your body to send more warm blood to the hands and feet. Use a warm scarf to cover your neck.**

AT NIGHT

- ☐ **Hot water bottles, heating pads and electric blankets will help to keep your bed warm. Wear a nightcap.**

CENTER FOR ENVIRONMENTAL PHYSIOLOGY,
1218 31st St. NW, WASHINGTON, D.C. 20007 (301) 585-2728

CLOTHING: WHAT TO WEAR

- ☐ Wool is a popular material for cold because it will keep you warmer than cotton when damp or wet.
- ☐ Most synthetics are very similar to wool when damp or wet and are therefore better than cotton.
- ☐ Down or quilted synthetic clothes also provide good protection from the cold.

DANGER SIGNALS

If you see an older relative or friend *with any of these signs*, it could mean that they are suffering from hypothermia.

- ☐ Confusion
- ☐ Difficulty Speaking
- ☐ Shivering
- ☐ Slow Breathing
- ☐ Sleepy and Hard To Wake Up
- ☐ Cold, Stiff Muscles
- ☐ Puffy Face
- ☐ Stomach Cold To Touch
- ☐ Forgetfulness
- ☐ Trembling On One Side Of The Body Or In One Arm Or Leg.

If You Suspect Hypothermia, Follow The Emergency Instructions At The Bottom Of This Page.

NUTRITION

Good nutrition is very important, especially in winter. Food provides the fuel your body needs to keep warm. Hot, nourishing meals and warm drinks add heat to your body.

DRUGS

Many prescription drugs can make you much more vulnerable to the cold. If you take medication for high blood pressure, nervousness, depression or sleeping, and you have trouble keeping warm, check with your doctor or pharmacist.

FOR HELP

- ☐ WITH HEATING YOUR HOME: Contact your local fuel assistance program. They may be able to provide money for fuel or help with home insulation.
- ☐ *WITH OTHER SERVICES:* Contact your State or Area Agency on Aging. They can direct you to many services that are available in your community.

MORE INFORMATION

More information on hypothermia can be obtained from:

- ☐ Your State Agency on Aging
- ☐ Center For Environmental Physiology, Washington, D.C.
- ☐ National Institute on Aging, Washington, D.C.

IN AN EMERGENCY — WHAT YOU SHOULD DO

DO

- ☐ KEEP CALM
- ☐ CALL A DOCTOR, AMBULANCE, RESCUE SQUAD OR LOCAL EMERGENCY ROOM
- ☐ HANDLE THE PERSON VERY GENTLY
- ☐ PROTECT THE PERSON FROM THE COLD WITH BLANKETS, QUILTS, TOWELS, OR EXTRA CLOTHES
- ☐ MAKE SURE THAT YOU COVER THE HEAD AND NECK

DO NOT

- ☐ DO NOT GIVE HOT DRINKS OR HOT FOOD
- ☐ DO NOT RAISE THE LEGS OR PLACE HOT WATER BOTTLES ON THE FEET
- ☐ DO NOT PLACE THE PERSON IN A HOT SHOWER OR BATH
- ☐ DO NOT GIVE ANY ALCOHOL OR DRUGS
- ☐ DO NOT MASSAGE THE ARMS OR LEGS.

This Material on Hypothermia Was Prepared By the Center For Environmental Physiology, in Cooperation With the Administration on Aging and The Older Americans Volunteer Programs/Action.

Senator HEINZ. Do you have any additional comments you care to make for our hearing record? You have been extremely helpful. May I thank you very much on behalf of all my colleagues? We are deeply grateful for your time and your thoughtful testimony.

Thank you very much.

Our next panel of witnesses is Victor Rutkoski, the energy assistance program coordinator, Erie County Board of Assistance; Ben Wiley, the executive director of the Greater Erie County Community Action Committee; Charles Wood, administrative assistant, department of public affairs, National Fuel Gas Co. Mr. Wood, I understand, is accompanied by William J. Hill, and Ronald G. Butterson.

Mr. Rutkoski, would you please lead?

STATEMENT OF VICTOR S. RUTKOSKI, ERIE, PA., ENERGY ASSISTANCE PROGRAM COORDINATOR, ERIE COUNTY BOARD OF ASSISTANCE

Mr. RUTKOSKI. Thank you, Senator. The current low-income energy assistance program is the sixth year that the Erie County Board of Assistance has administered a home heating assistance program. From 1977 to the 1980–81 program, there was a fourfold increase in the number of requests for financial help with residential heating bills.

I have a table that I will not read. That will be for the record. It basically shows an increase from approximately 2,000 applications in 1977, where the total benefits were approximately $380,000 to last year's program where we had 8,000 requests and the total benefits there—this figure is just for Erie County—was $1,700,000. And I also show the average benefits.

Year	Applications	Rejections	Approvals	Total benefits	Average benefit
1977	1,982	298	1,684	$389,200	$231
1978	2,255	227	2,028	348,900	172
1978 extension	344	68	276	66,300	240
1979	1,564	264	1,318	252,200	191
1979–80	5,771	671	5,100	1,652,800	324
1980–81	8,004	1,081	6,923	1,720,000	248

So far in the 1981–82 program, there have been 5,300 applications for energy assistance. The average payment to date is $205. The volume is slightly ahead of last year. Our office is averaging approximately 110 to 120 phone calls per day regarding the program.

In order to put the 1980–81 figures into perspective, the percentage of the winter's heating cost paid by the average family was: For natural gas was 25.9 percent, for fuel oil it was 28.5 percent, kerosene was 28.2 percent, liquefied petroleum gas, propane was 25.3 percent, and electricity, 36.2 percent. These figures show that applicants approved for energy assistance still were responsible for the large majority of their heating bill. I think that is a misconception, if I may say, in the communities that once a person is eligible

for a program, that we are paying almost the whole bill. In fact, we are paying only a small portion of it.

The need for the energy assistance program has been the subject of much testimony before Congress. I will not repeat it except to mention the large growth in energy/heating costs we all have experienced. This has lead to the growth in a conservation/weatherization industry, and the conversions to alternative fuels. Families with the true low incomes, either fixed or which rise at a rate much lower than the rise in the cost of living, are hard pressed to find much belt tightening in their budget to either keep up with the increased costs or money outlay for more than inexpensive weatherization.

In the standard of need or eligibility, it is my personal judgment that there ought not to be one standard for nonsenior citizens and a higher eligibility standard for senior citizens. At the present time, it is the same. In earlier programs, we did have a difference. In a period of cutbacks in social programs it does not reflect well on anyone to allocate a limited amount of money and to have the various income groups in conflict over their respective share. We should not allow program regulations to pit one group against another.

The program history yearly has lead to the following questions or concerns. Is there going to be a program this winter? What amount of help can be provided based upon the allocation figure? What effect will regulation changes have on families taking responsibility for their heating bills to the degree they are unable? The yearly nature of the program has, in my judgment, been the reason for Pennsylvania using workers hired temporarily for the duration of the application period, with all the accompanying administrative and programmatic difficulties.

If the national policy is that there is a need for an energy assistance program, there is a need for more continuity and yearly planning on the Federal level. For example, the timing of the Federal fiscal year, starting with October 1, can have a large impact on the timely energy assistance payments.

The 1982 budget and Federal energy assistance regulations in 1981 were not finalized until early fall. How much leadtime did this give the States to implement a program so that the application process could be started so that most payments came out during the height of the winter heating season? Finally, it is difficult to plan a State program under the current allocation method. Pennsylvania still does not know the final allocation dollar figure.

Possibly Congress can consider a long-term program analogous to the food stamp program, such as an energy stamp program. Briefly, the eligible households would receive an amount of energy stamps or credits for each month of eligibility; the amounts would be determined in a similar manner to the food stamp determination. If the program were year round, eligible households would know how much they could plan on in their budget. These energy stamps or credits would be redeemable only at energy vendors, weatherization, or insulation dealers.

Eligible households would decide how to redeem them; they could use them to pay the current winter's heating bill or they could use them to upgrade their house insulation or weatherization. The

latter choice would reduce their future heating bills and also lessen America's overall energy needs. In the long term, it may be a wise investment for the Federal Government and the individual families.

Senator HEINZ. Mr. Rutkoski, thank you very much. In your testimony I note that you have some percentages on page 2.

Mr. RUTKOSKI. Yes.

Senator HEINZ. Are those for average families or for average elderly families or for elderly poor families or for families that have been served by the program?

Mr. RUTKOSKI. Those are figures for Pennsylvania, for the elderly and nonelderly.

Senator HEINZ. These are not necessarily poor people; this is the average citizen in Pennsylvania?

Mr. RUTKOSKI. No; these are people who are eligible for the energy assistance program last year.

Senator HEINZ. It includes families as well as the elderly?

Mr. RUTKOSKI. Yes.

Senator HEINZ. Well, then, these figures track quite well with the national figures that we have available. For the elderly, the percentage is a bit higher than that. About one-third of their budgets, on the average, according to national figures, is going to heating costs, fuel costs, electricity costs. And in some instances, it can go up, particularly in the Northern States, to one-half of their entire budget if their income is low. The bills do not even have to be very high.

By the way, my understanding is that the average fuel cost for the average family in the United States is about 10 percent of their family income, not 25 percent, not one-third, and not one-half.

Let me ask Mr. Wiley to present his case.

STATEMENT OF R. BENJAMIN WILEY, ERIE, PA., EXECUTIVE DIRECTOR, GREATER ERIE COUNTY COMMUNITY ACTION COMMITTEE

Mr. WILEY. Thank you. My name is Robert Benjamin Wiley and I am the executive director of the Greater Erie County Community Action Committee. GECAC operates the weatherization program. We also sponsor the agency on aging, funded through Erie County. We also operate a low-income energy assistance program and work in conjunction with the county board of assistance in operating the emergency assistance program.

And I would like to say to you, Senator, that myself, personally, am happy that you chair the Special Committee on Aging. I have worked with you over the years in a lot of other areas. For instance, the block grant which is now down at the State level. I can honestly say to the people here that any time we have been in an emergency situation and have called you and the other people from the Pennsylvania congressional delegation, you have always been there leading the banner and taking the lead. So I am happy to have you here today.

Senator HEINZ. Thank you.

Mr. WILEY. Erie County, located at the extreme northwestern tip of Pennsylvania, on the shore of Lake Erie, usually experiences a

harsher, colder winter than the remainder of the Commonwealth. The cold weather season begins in late October and extends generally up through April. Temperatures during these months range between 32° F all the way down to a minus 7°.

In addition to what I have already said about the weather, high winds often contribute a significant chill factor to the already cold temperature. Days of full sunshine, as all of us know in Erie, are less than average. Erie, Pa., is one of the Nation's cities experiencing the least number of sunny days annually. Obviously, these weather conditions are an important factor in terms of energy usage and utility costs.

Spiraling energy costs are significantly affecting most household budgets. Those in low-income and fixed households are affected to an ever greater extent, often paying 40 to 50 percent or more of their income for heat. Adequate clothing, health care, and other necessities must be postponed or neglected due to high energy costs.

The 1970 census figures showed 13½ percent of Erie County population to be over 60 years old. That was a total of 35,772 persons, according to the statistics. The Office of Employment Security projected that by 1981 the percentage would have grown to 16.7 percent, 46,693 persons.

Also, in 1970, census data indicated that 26 percent of all individuals 65 years and over lived in income below the poverty level. Considering the rate of inflation since 1970, it would be safe to say that a larger percentage of persons living on fixed incomes are now at or below the poverty level.

Approximately 10 percent of the population in Erie County in 1970 was considered disabled, some 26,362 people.

During the 1979–80 year, GECAC outlined an extensive community needs assessment. One component of this assessment was a survey targeted toward low-income residents of the county. Two questions were asked that dealt primarily with the energy needs, assistance, payments, and the weatherization program. Eighty-eight percent of all households that participated in that survey had incomes less than $10,000 per year; 59.3 percent of elderly respondents felt that they could use assistance with utility bills during crisis periods; 27.9 percent felt that they could use a program to insulate their homes to lower fuel costs.

The provision of weatherization and fuel assistance to the low-income elderly is crucial. Their ability to meet continually rising fuel costs is becoming increasingly difficult. We must continue to weatherize homes to decrease fuel consumption, thereby lowering utility bills, providing cash benefits to assist in the payment of heating costs.

It is imperative that we understand that the weatherization and fuel assistance programs are not duplicative but coordinative. The need for continued support of both programs lie in two areas.

Even though a home may have been weatherized and fuel usage reduced the continual increase in the base rate of utility companies makes it difficult for seniors to meet their fuel heating costs. With recent reductions in weatherization funds and subsequent production staff reductions, the client backlog in weatherization continues

to grow. In other words, we have a mounting backlog of people who are in need of weatherization services that we cannot serve.

The waiting time from application to actual work completion can be rather lengthy. Therefore, the fuel assistance program acts as a stopgap measure, providing cash benefits while waiting for weatherization benefits.

In 1981, several programs were operable in Erie County to meet the energy assistance needs of the elderly and disabled. The low-income energy assistance program run by the Erie County Board of Assistance aided 2,200 elderly households with $501,600. This was 31 percent of all energy assistance applications taken in Erie County. In addition, emergency assistance funded by the department of public welfare and energy crisis intervention funded by the community services administration were available at GECAC.

The special needs of the elderly and handicapped were addressed by special outreach efforts on their behalf. Too often those who most need assistance are either unaware that it exists, too proud to take advantage of it, or physically unable to come to an office.

Project energy care was operated to insure that elderly and disabled individuals were informed of all assistance that they might be eligible for. Special effort was made to reach homebound individuals through use of the media, other social services, and outreach workers in various communities and individual homes. Five hundred and ninety-eight homebound persons who would otherwise not have been reached were assisted with energy assistance applications by GECAC staff.

Another goal of project energy care was to inform the elderly and the general public about the dangers of hypothermia. A series of workshops were conducted at senior centers and senior citizens' clubs. Information was also dispersed through the local area agency on aging.

Workshops on energy conservation have been conducted at senior centers and agencies dealing with the handicapped. The intent of the workshop has been to show different ways of conserving energy in the home through the use of low-cost, no-cost techniques. A hands-on approach has been employed to give seniors and disabled persons the assurance that they are capable of employing conservation methods by themselves.

On a 1-to-1 basis, 78 elderly persons have had energy audits done in their homes to show where energy loss is occurring and how it can be controlled; 1982 has seen severe cutbacks in the services offered to the elderly and handicapped in the areas of energy assistance/conservation. Outreach, for which the department of public welfare is solely responsible this year, has been minimal. Very little has been seen in the media. No special attempt has been made to seek out those unaware of the program. Availability of staff for home visits is next to nothing.

All elderly persons who receive the low-income energy assistance program in 1981 received an application in the mail for 1982. There were a number of problems with this. The forms that were mailed in had to be transposed and processed, in effect making two applications for each person. This has created a lag of several weeks between application and the time a vendor receives authorization to provide services. Many elderly were confused with the form and

needed a personal contact to assist them with the application. Some of the forms have been discarded because of the lack of understanding. The need for proper outreach has been demonstrated, but it is unavailable through local resources.

With the dissolution of the community services administration and consequent reduction of staff, meeting the needs of the elderly and handicapped persons, those with the greatest need, has been made increasingly difficult. Supplies for informational workshops are no longer available, as well as staff to conduct them.

Guidelines for the low-income energy assistance program are lower this year for all households over one person. This is a special blow to married elderly persons. Also, benefits to households are lower this year, though fuel costs and other living costs are higher.

The most serious problems facing the energy assistance program as a result of these cutbacks are the lack of proper outreach and the amount of the client benefits. Benefit formulas should be realistic in accordance with the rising cost of living.

Outreach needs are different in different localities. Effective outreach could be most properly conducted at the local level and outreach funds should be funded to local agencies for this purpose. In the emergency assistance portion of the low-income energy assistance program, administrative moneys are extremely limited which makes proper program administration difficult. As community services administration funds dry up, provisions must be made to fill the gaps.

Unquestionably, the energy problem is real. It affects all aspects of our lives; and there are no simple solutions. Although most poor people in America live in houses which waste a considerable amount of energy, few can afford to do much about it. The weatherization program was designed to help those who cannot help themselves, and to contribute to our national program of conserving energy as well.

Weatherization has grown to the point that every month thousands of homes lived in by low-income Americans are weatherized by private projects such as ours at GECAC.

During the past year our weatherization program has completed an average of 25 homes per month; averaging $450 per home on weatherization installed materials.

With this small expense we are averaging a reduction of 25 to 30 percent in the amount of energy used. This can amount to substantial savings for the low-income segment, from $150 to $180 annually.

During fiscal year 1981 we were able to assist in excess of 770 individuals, 263 of those being elderly and 76 being handicapped.

At the present time, we have a backlog of clientele in excess of 125, but due to continued reduction in our funding, we anticipate a reduction in services to our pending clients. Since our program has experienced the cutbacks, we have been forced to reduce our staff through layoffs. Two key personnel, our program Outreach workers, were our primary source of aiding our potential clients in the filling out of applications. This was done by sending one of the Outreach workers to the homes of the prospective client. This was extremely helpful to our senior citizens and handicapped.

In conjunction with these cutbacks in staff, after receiving our contract amendment for the remainder of 1982, we will be compelled to further reduce our staff by approximately three positions.

This, once again, will cause the effectiveness of our program to be reduced. It will cause the time period that elapses between initial application to actual work to go from approximately 4 to 6 weeks to an unnecessary span of 3 to 6 months.

Weatherization is a very visual and effective use of tax dollars. It not only returns moneys to taxpayers, but improves their living conditions and in some cases their health.

We believe that the track record of weatherization speaks for itself.

The 1983 Reagan budget calls for the total elimination of weatherization and severely reduced funds for fuel assistance.

A break in coordination energy services to the elderly is incomprehensible.

It is nonsensical to pay cash benefits for utility bills while offering no mode for reducing fuel consumption. The benefits to the client is an immediate one, but the long-range benefit and the true payoff on the investment would be missing.

It is crucial that a system of energy conservation continue to exist in coordination with the fuel assistance program.

And the last remark I am going to make is in reference to the trend of going from the national level to the block grant program throughout the State. I think if you compare the 1980–81 program which operated from the national level to the 1981–82 program which is coming from the State, I think you find a wide variation, not only from State to State, but also within the guidelines and rules set up for the implementation of that program. And I think many needy people who are eligible would perhaps not be reached through this system if there is not some Federal assurances put into the block grant program.

Senator HEINZ. Ben, thank you for your excellent testimony. I am going to return to you and Victor in a minute, but there is just one comment I would make.

On your testimony, on the last page, when you note that you are going to be compelled to reduce your staff by three positions, it is my understanding that that has to do in part with title XX block grant services, title XX block grant fund having been reduced last year.

Mr. WILEY. Right.

Senator HEINZ. And I would parenthetically note that there is an additional proposal to reduce title XX several hundreds of millions of dollars again.

Mr. WILEY. Yes, sir, that is correct.

Senator HEINZ. And I would further note that the rationale for reducing it last year was seriously flubbed. It was already a block grant. It was already efficient. And I would therefore conclude that to reduce it further would be equally, if not more silly, than what we did last year.

Let me call on our last witness, Charles Wood.

STATEMENT OF CHARLES A. WOOD, ERIE, PA., ADMINISTRATIVE ASSISTANT, DEPARTMENT OF PUBLIC AFFAIRS, NATIONAL FUEL GAS DISTRIBUTION CO., ACCOMPANIED BY WILLIAM J. HILL, VICE PRESIDENT OF OPERATIONS, PENNSYLVANIA, AND RONALD G. BUTTERSON, ADMINISTRATIVE ASSISTANT, CONSUMER BUSINESS, PENNSYLVANIA

Mr. WOOD. Thank you, Senator.

Good morning. My name is Charles Wood and I am the administrative assistant for the department of public affairs at National Fuel Gas Distribution Co. I am accompanied to today by William J. Hill and Ronald G. Butterson.

National Fuel is aware that one in nine Americans today is now 65 years of age or older and that by the year 2020 that number will rise to one in six. A recent Harris poll showed that 43 percent of the elderly considered energy costs their biggest problem.

While natural gas is projected to remain the least costly home heating fuel in the foreseeable future, the impact of rising gas prices on residential customers is of great concern to our company. To ease this burden National Fuel has developed a variety of programs which have been instituted and have been reviewed by our consumer advisory council. Serving on this council are representatives from the various communities that we serve, including many senior citizens.

I would like to take, if I can, Senator, a minute to use this hearing to explain some of our programs to the people that are here.

We have a balanced billing plan which offers residential heating customers the opportunity to pay their fuel bills through equal monthly payments over a 12-month period. The amount of that payment is based on prior consumption history applied to projected rates for the current year. Adjustments are made three times a year to adjust the budget payments to actual billings. We are currently considering an alternative plan which would spread the payments over a 10-month period, thus giving the customer the benefit of a relatively low summer bill.

We have a third party notification program. The customers may designate a third party—it could be a relative, a church, or a friend—with that party's approval, to receive a copy of all delinquency notices that the customer may receive. Although the designee is not responsible for the payment of the bill, he/she would be aware if someone's service is about to be terminated.

Our third program is our residential conservation service and energy audit program. On request, National Fuel's energy auditors survey customers' homes, provide conservation suggestions, together with an estimated cost of installation and the potential savings. The value of these audits is just about $75, but the customer is charged only $15. In addition, National Fuel will help its customers find a qualified contractor and financing.

We have an extra security plan. This is a special multifeature plan for the elderly, retired, or permanently disabled. It guarantees that there will be no termination of services for nonpayment between November 1 and April 15. Payment of the gas bills can be made without penalty after receipt of social security or pension checks. National Fuel also offers the customer an option to join the

balanced billing plan, our third party notification plan, and to receive a free home heating survey.

Senator HEINZ. Is there any cost to that option, those options?

Mr. WOOD. There is no cost to any of those options mentioned. The free home heating survey is just that; the survey that is less extensive than the $15 energy audit I mentioned earlier.

We also have a medical hardship program. National Fuel does not terminate service for customers using life-sustaining equipment or those who have a serious illness.

We have an installment plan. When customers become delinquent they are offered the opportunity to arrange for payment of arrearages depending on their ability to pay. A fixed amount is charged each month on the past due balance. And they pay that plus their current month's bill.

Our educational services are essentially an outreach program wherein one of our employees periodically visits senior citizen centers to discuss problems that these people may have with our company and to make them aware of available company and government-sponsored programs. Mr. Rutkoski and Mr. Wiley both mentioned that outreach is a problem for them.

Senator HEINZ. I was just going to ask you about that. How do you coordinate what you do with what Mr. Wiley or Mr. Rutkoski do?

Mr. WOOD. If you look further ahead at No. 9, at our informational seminar, we conduct a full-day session to acquaint local government and private agencies with the various programs that are offered by the company.

Senator HEINZ. If you find someone who is in a crisis situation, what do you do? By that I mean with respect to Mr. Wiley and Mr. Rutkoski. Do you tell somebody about them, or what?

Mr. WOOD. You mean if we are aware of a life-threatening situation?

Senator HEINZ. If you go out and you have an outreach program. And you come across a senior citizen, either through a senior center or some other place, and you go and you find out they have a really serious problem. What do you do about that individual?

Mr. WOOD. We meet them in the senior citizen center. Is that what you mean?

Senator HEINZ. Do you go beyond the senior citizen center?

Mr. WOOD. We will refer them to an agency where perhaps they can get help.

Senator HEINZ. So your outreach program does not go beyond the senior citizen center.

Mr. WOOD. That is right. At this point, that is as far as our meeting goes with the senior citizens. We do not go to their homes, if that is what you mean, because we do not have that expertise. Actually, we really don't have any record that would tell us where the senior citizens live in our service area.

Senator HEINZ. Well, then you have, under any of your other plans here, your medical hardship program, for example. How do people get into that program? How do you tell them about it?

Mr. WOOD. The obligation is on them to inform us, just as it is on them to inform social services if they wish to apply for certain government programs. Perhaps that is where the weakness is in the

program. And perhaps that's what Mr. Wiley was leading to. How can we shift the burden of information.

Senator HEINZ. Do you feel that National Fuel should have an outreach program that would actually help to identify these people, or that you could help coordinate some of your efforts to what Mr. Wiley does, so that the two of you together could do something that is needed that neither one or the other could do alone?

Mr. WOOD. If I interpret what you are saying correctly, I don't think we can adequately go out and locate all the senior citizens because we have no vehicle for doing that. Mr. Wiley is much better equipped to do that than we are. We are not a social service agency, but we certainly can continue to coordinate our efforts with him, and he with us.

Senator HEINZ. These people are your customers. They pay you their money.

Mr. WOOD. That is right.

Senator HEINZ. There is an old saying, "The customer is always right. They are not your captives, they are your customers."

Mr. WOOD. Very true.

Senator HEINZ. You know when those customers get behind on their bills. They have been, in many cases and particularly with respect to the elderly, your good customers, making and giving you your wages, giving your company its profits, in some instances for 75 years. The question that I would ask once again is, are you sure you cannot, because they have been your faithful customers, be a little bit more helpful to them and to the social service agencies. I am delighted that you have gone to senior citizen agencies. You have certain information. You know when these people are getting behind. You certainly should know how long they have been your customers, you have those records. You should know when they are behind on their payments, you have an accountant who keeps track of that. How can you not be able to do more even if it does not mean visiting.

Mr. WOOD. Well, I think we have always looked for ways to do more. We do always encourage these people to come and notify us——

Senator HEINZ. Well, I understand that you want people to come and do things. But then you have some information that would be very, very helpful if you figure out how to use it intelligently.

Mr. WOOD. The only information that we would have would be the amount of their bills and the amount of their consumption and their payment history. Now, we are aware when someone is in arrears and we do encourage him to seek a special payment arrangement. That option is again offered just prior to termination.

Senator HEINZ. Maybe at some point you and Mr. Wiley and Mr. Rutkoski might want to sit down and figure out the following. We do not have the time to do it here. But you have records on your customers. You know when they have just moved into a home, what their names are, and how long they have been your customers. You know what their billing records and problems are. If you, yourself, do not know you have a computer that can tell you very, very easily.

There may be a very simple way—but there won't be any way as long as you keep saying that there is no way you can go beyond

where you are now. If you sit down and talk to people who are equally concerned as you say you are. That is my point. And therefore if Mr. Wiley or Mr. Rutkoski, or somebody in a similar situation, would ask you for that kind of assistance, would you give it to them?

Mr. WOOD. Certainly. However, I have already testified that National Fuel is always looking for ways to improve its service and I want to emphasize the current cooperative relationship between our company and the local agencies. However, because the records of our customers must remain confidential, we simply cannot throw them open to any agency upon request.

Senator HEINZ. Is that an absolutely insoluble problem?

Mr. WOOD. No, I hope not.

Senator HEINZ. I hope not too. If it is, you may want to work together and try to find a solution to it. There are solutions that are available to those problems. They are not even complex. I have encountered confidentiality problems with medical case histories. And they can be solved. I won't go into the details, but I have been personally involved with several of them during my 10 years of public service.

Please continue with your testimony.

Mr. WOOD. We have a system of referrals to public agencies, and private organizations. In the packet that you have in front of you,[1] Senator, is a booklet which is available to all our customers. It lists each of the private and public agencies where a customer can apply for energy assistance funds. The book is updated annually.

I am going to ask one of my people that accompanied me here today if this is handed out before termination of service. Am I right on that? Yes, before we terminate a customer's service he is informed of where he can get energy assistance. So we do go one step beyond, Senator, and we do inform them of where they can receive a——

Senator HEINZ. Well, how long before you shut off service would you have these handed out?

Mr. WOOD. Before we would terminate the service? In Pennsylvania—I am going to again have to ask—Ron, can you give me the answer to that? How many days would we hand this out, or is it at the time of termination?

Mr. BUTTERSON. That would be 3 days prior to termination.

Senator HEINZ. Let us correct the testimony. You said a moment ago that they were handed out before the termination. They are handed out as their fuel is being shut off.

What happens if the customer freezes to death within the 24 hours?

Mr. HILL. I have to interject.

Senator HEINZ. Would you identify yourself?

Mr. HILL. I am William J. Hill, and I am vice president of National Fuel Gas. First of all, there is no termination in the wintertime in our system. It is a request by the Commission that we do not terminate. Besides that, these energy assistance guides are handed out at every senior citizen center prior to termination, prior to winter.

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[1] Retained in committee files.

We also do what we call a dormant account review every fall, and we visit every establishment that has had service terminated for some reason. The book is also handed to them at that time and any hardships are referred back to agencies to make sure that that person, prior to wintertime, is under control. A third party is also involved so we do not have the freezing problem which you referred to. I just wanted to point that out.

I want to stress again that there is coordination between the two agencies and our company to make sure that an individual doesn't freeze, particularly a senior citizen.

Senator HEINZ. Thank you for putting that information on the record.

Mr. CLARK. May I make a comment?

Senator HEINZ. We are going to proceed here. We are going to be through with the witnesses and then we are going to have time for you——

Mr. CLARK. I have an office to maintain which deals with this specific matter.

Senator HEINZ. Well, let me recognize you, if you do not mind, for a brief period of time. Go right ahead. Would you please state your name.

Mr. CLARK. W. R. Clark, and I head an office at the Masonic Temple Association which is named supportive committee for PUC concerns. And we are the complaint area, if you will, that so many agencies feed into our office. And we have to intervene for these people. I suspect that from all of the agencies, we get some complaints from people who have utility matters and we intervene for them.

As of today we have served around 700 people. We are not federally funded——

Senator HEINZ. I appreciate that. What is your point?

Mr. CLARK. Well, the point is this: I just want to identify myself. My point is that since people are not to be turned off in the winter months, I would request of Mr. Hill and his staff to stop sending people notices of—scare tactics, termination notices during the winter months. And there has been, according to my information, some termination this winter. They have not called me yet, but one of the schools has notified me that there was a lady——

Senator HEINZ. Well, would you like to meet with Mr. Hill or one of the people from his company?

Mr. CLARK. I have met with Mr. Hill a hundred times. I am waiting for the lady to call me so I can know who this person is. But my point is that I would like for them to stop sending termination notices to scare them, that they are going to terminate in the winter months.

Mr. HILL. Senator, it is a requirement of the Public Utility Commission that we send notifications of arrearages and termination notices. We just cannot stop doing that. And nobody has been terminated this winter.

Senator HEINZ. Mr. Wood, you have not yet completed your testimony, I do not think. Please proceed.

Mr. WOOD. Since 1979, the Federal Government has entered into the picture and has provided low-income energy assistance with funds from oil's windfall profits. Although the Omnibus Reconcili-

ation Act of 1981 provided $1.875 billion for fiscal year 1982's program, only $1.75 billion was actually appropriated, and by February, the Office of Management and Budget has released only $1.4 billion.

Concerned about the severe winter and the increasing number of program applicants, National Fuel has asked the Congressmen and Senators within its service area to urge OMB to release the remaining $350 million. Our Congressmen and Senators responded, and as of today, OMB has released about one-half of that amount.

Also, last week the President signed a new measure which will add an additional $123 million to the fuel aid program, bringing the fiscal year 1982 total appropriation back to its original $1.875 billion authorization.

Funding, nevertheless, may still be inadequate. The same level of appropriations was available in fiscal year 1981 when the Nation experienced a relatively mild winter. Because energy prices have risen considerably and the current weather conditions across the Nation are extraordinarily severe, appropriating this same dollar amount as last year is both illogical and insensitive. On the same note, the proposed fiscal year 1983 appropriation is $1.3 billion, and this is even more unrealistic.

In conclusion, we would like to make the following recommendations for the improved Federal assistance program.

No. 1, we would suggest that there be an increase in the funds to provide all eligible citizens with adequate relief.

No. 2, we would like to insure expeditious payment by Federal and State agencies to the utilities.

No. 3, keep the Federal guidelines minimal to avoid problems in interpretation and administration.

No. 4, keep termination of service provisions out of the Federal guidelines.

No. 5, provide a direct payment system to the utilities rather than direct cash payments to citizens.

No. 6, avoid fuel assistance payments to areas where the climate does not require large energy consumption to sustain life. I think you had mentioned that earlier, Senator.

No. 7, expand communication and outreach programs to inform eligible citizens of available programs. This is a responsibility of government as well as energy distribution companies.

No. 8, restrict program eligibility to the truly needy. Raising the eligibility standards for families at the middle-income level merely reduces available funds for the poor.

And finally, National Fuel would like to commend the Pennsylvania State Department of Public Assistance. Despite occasional delays in fund distribution, this department has demonstrated capability in handling the administration of this complex program.

Senator HEINZ. Thank you very much, Mr. Wood. I have a few questions for the group.

Mr. Rutkoski, you have testified very clearly as to the size of the impact of this past winter on the number of applications. What is your backlog of unfilled applications that qualify at this point? Do you have any grants that you have not made because you do not have the money?

Mr. RUTKOSKI. It is not a question of not having the money, it is a question of not having processed the applications. Of the 5,300 applications that we have identified in our office to date, I would estimate that we have about half of them processed. So we still have a backlog of about 2,500.

Senator HEINZ. Now, Mr. Wood has recommended, among other things, that we not cut this program to what the President has proposed to cut it to. Indeed, we have had some success in raising the amount of money in the program just last week, which would be the additional money, $123 million.

The program has been slated for about a 30-percent reduction. And some people say that you can make up for that if you just reduce the mammoth bureaucracy and just make some administrative economies. I know you are not in the policymaking position here, but what do you think would happen to the program if there was a 30-percent cut? Could there be much in the way of administrative economies that could save the program?

Mr. RUTKOSKI. I do not see a great deal of administrative economies that could be made. At the present time the Federal law limits the States to 10 percent in administrative costs. So that even if you miraculously reduce it to zero, you still have a 20-percent loss that you are going to have to absorb.

I can also point to what Pennsylvania did this year in anticipation of a cut. Last year Pennsylvania received $130 million. This year, based on the initial appropriation, that was cut to $95 million. That was approximately a 30-percent cut this year. And the way the State responded was to reduce the benefit and to shrink the eligible population. As Mr. Wiley testified, the income level did drop, except for the household of one. That did go up slightly.

The impact that would have on the applicants or the citizens in the community was especially hard on the elderly. Because the income limit for the household of two, for example, last year was $7,600. This year it dropped slightly over $7,100. At the same time most of those people on social security had an 11.2 increase. So the majority of my rejections this year have been the elderly, unfortunately. So that if the Federal Government is looking at another 30-percent reduction, that is only going to be done by further reducing benefits and further reducing the eligible population.

Senator HEINZ. Now, this is a question mainly for Ben Wiley, but it could be for you, Mr. Rutkoski, which is this: One of the things that we have been trying to do and what the Special Committee on Aging has spent a lot of time with hearings, with proposals to authorizing committees last year—how to coordinate low-income energy assistance with weatherization, and other kinds of services that you need, in order to be fully effective as a provider. By coordination, I have in mind such things as one-step applications, cooperation among the administering agencies, all the steps necessary to insure that we do not hold up allowing someone to needlessly burn up their money, or for that matter, LIEAP money, because it goes right out through the leaky roofs or the flue that works improperly.

I understand, based on your testimony and from other surreptitious sources as well, that you have a pretty good program in that regard. When you mentioned your project energy care in your testi-

mony, I assume that is the basic program you have adopted to bring this about. Is that right, Ben?

Mr. WILEY. Sure. And as I understand, throughout Pennsylvania and some of the other community action programs, it is not the type of coordination that exists between their county board of assistance, as opposed to what we do here in Erie.

Senator HEINZ. Why do you guys get along so well, and why don't they get along in other counties?

Mr. WILEY. I cannot speak for the other counties. But I can say here in Erie, coordination has always been a central thing in our organization, and coordination has always been a central thing with the department of public assistance. And we know from the clients that we work with on a periodic basis, a lot of confusion would exist, and maybe even to some extent, duplication of services to some of the clients if we did not coordinate. Because we run one form of the energy assistance program, they run the other. So we got in early in this game of working together in screening and things of that nature.

And I think we also find out that through coordination, with the resources that we do have, people who are eligible within that resource base, very few fall through the cracks. So, it has been a very effective program.

Mr. RUTKOSKI. Senator, one of the jobs that I had previously was to coordinate title XX in Erie County. And I was familiar with the area agency on aging and Mr. Wiley's agency. And when the regulations came down the first several years, they stressed a priority for the elderly. And being familiar with Mr. Wiley's staff, being involved with his staff and what they were doing, it was a very natural thing just to continue that coordination and to reach out to them saying: "We do have this program. Would you like to have your staff trained to taking the application?"

And we continued that to this date and involved the senior citizen centers, and more recently involving the Senior Citizen Advocate Office. So there has been a history of working together. We are only two blocks away.

Senator HEINZ. Do you think that there is anything that we at the Federal level should do to mandate, require, or encourage better coordination? You have it here, but it may not exist, as you have pointed out, in other counties. Or is it something that the States merely have to address themselves to? If it is just a State problem, what should the State be doing differently?

Mr. RUTKOSKI. The last part of my testimony, and I threw it out only as a discussion point, the idea of an energy staff that they could use either for paying their bills or for using insulation. I think there has to be some type of tie-in between the energy program and weatherization, because I think we are just throwing money away year after year on the energy program if we do not seriously look at continuing forever to keep up weatherization. To have billions of dollars appropriated for energy assistance and only, I think, several hundred million for weatherization, I think, is foolish.

Senator HEINZ. Well, what would happen if we combined the limited small amount for weatherization in with low-income energy assistance and made both weatherization and low-income energy as-

sistance eligible activities. In other words, made a miniblock grant out of it. Would that be something that you could administer or not? You would have to make choices between low-income energy assistance and weatherization that you do not have to make now.

Mr. WILEY. I still think that in the longrun service to the community, the service to senior citizens would be better if we did enforce that type of coordination. Of course, if you compare it here to somewhere else, probably in terms of what is lost here is a little less than if you go to someplace else where they are not tied in at all.

Senator HEINZ. Mr. Wood, from your point of view, how do you see these two programs, weatherization and energy assistance, operating?

Mr. WOOD. Well, we see them as operating quite effectively to the limitations that I mentioned earlier.

Senator HEINZ. Do you find them well coordinated.

Mr. WOOD. Yes; we think that the local agencies appear to coordinate well with each other and with National Fuel. We will continue our efforts toward this goal on these programs.

Senator HEINZ. Now, in your testimony you have provided a series of recommendations. You have indicated a series of steps that National Fuel has taken. Now, there are examples in other parts of the country that have activities that go substantially beyond what National Fuel is doing. I have here a publication from P.G. & E., Pacific Gas & Electric, out in California. And I quote, not itself, but the Los Angeles Times regarding as follows: "A northern California utility company, the largest in the country, has decided that there may be at least as much profit in saving energy as in producing energy."

Indeed, Mr. Rodgers, staff, and others, have maintained that it really is much more profitable for utilities in this country, rather than go through expensive additional capacity, 15, 20, 22 percent interest rates to encourage as a means of adding to their capacity, to apply additional consumers of energy to invest in conservation.

And it appears what P.G. & E. has done; they have several programs. One is, they call ZIP, zero interest plan. It offers interest-free loans to low-income households for improving the energy efficiency of their houses or home units. They have previously offered an 8-percent, obviously a very much reduced interest, for the same purpose, and found that middle-income households took aggressive advantage of them.

They set up a $10 million pilot program of zero interest loans particularly targeted at low-income households. The $10 million is the first part of a floating fund scheduled to increase to $1.5 billion over 5 years. Money from this fund is loaned to low-income households to provide energy improvement and paid back in 100 monthly installments at no, zero, interest.

Interest of the borrowed money, in terms of the 8 percent, is put back in the rate base, however, the cost of their capacity is kept out.

P.G. & E. helps their customers actually undertake the weatherization steps by providing a list of qualified contractors, which, indeed, you testified to yourself, sir.

My question is: Why could not your company undertake a program like this?

Mr. WOOD. We would have to see the particulars of that program before commenting. You said the interest rate is rolled into the rate base and I think we would want to read more about that.

Mr. HILL. In our New York State, because the utility commissions view it differently, we do have a mechanism to do essentially the same thing.

LOW-INTEREST LOANS

The Home Insulation Energy Conservation Act of 1978 requires National Fuel to offer low-interest loans to our New York residential customers who live in one- to four-family dwellings. The purpose of the loans is to assist our customers in financing installation of weatherization measures ranging in cost from $200 to $2,500 for a single-family dwelling and up to $4,500 for a four-family dwelling. The maximum payback period is 7 years.

The interest rate paid by eligible customers never exceeds National Fuel's overall rate of return. We subsidize the difference between the bank's interest rate and that paid by our customers. The cost of the program is, of course, rolled into the rate base.

A low-interest loan program is not mandated by the Pennsylvania Legislature so it is presently not offered by National Fuel in that State. However, the Governor's Energy Council and the Public Utility Commission are working on this right now. In addition, we provide our customers with energy audits, suggest weatherization measures, and assist them in finding contractors and reasonable financing.

So we do, in our operation in New York State, provide the loading stones for weatherization. Another comment I would make in support of what Ben has said is that somehow the Federal Government should tie together the two programs of energy assistance and weatherization. In doing so, it should increase the appropriations, and perhaps make a certain level of conservation a major eligibility factor. Otherwise the Government is just throwing our tax dollars away without encouraging conservation.

Senator HEINZ. Well, let me ask any of you here if you have any additional comments. If not, I am going to try and take some additional comments from the floor.

Mr. RUTKOSKI. One further comment I would make about your question about the 30-percent reduction and any type of economies that could be made.

I guess I am looking for the Federal Government to make a final decision as to whether we are going to have an energy program or whether we are going to go back and forth between the different programs we have had since 1977.

Until that has been done the States really are not going to have firmly established programs. In Pennsylvania we have run, been running the program for the last several years with temporary hired staff, which means we bring the staff in very close to the time the program starts, give them as much training as we can in a very short period of time, and then expect them to do journeyman work on the applications, and then get the applications out

very quickly. And then when the program is over toward the beginning of summer we dismantle that and then we start up at the beginning the following year.

That is not efficient. And I do not believe the States are going to take the lead in making the energy program permanent and getting staff that is experienced and efficient year after year, until the Federal Government finally makes a decision where we are going to go in this program.

Senator HEINZ. I think that is a very important point because you have seen and you testified to, and we have had other testimony on the record as to the effect of the late decisions in terms of committing this money. And how even at the last minute, just last week it changed again—I am glad it changed up. What would we have done if it changed down? So I think your point deserves special emphasis.

Mr. WILEY. I would just want to say that we are going to have to do the best job we can with what we have. But I would just like to further say that, going through this program, one of the things that I would say that you could do at your level, Senator, and certainly the administration could do, is assist States in finding ways to tie in private sectors, to increase private sector initiative. I think that because the private sector, most of the time, does get involved when it is a crisis situation. I think we can economize and save a lot more money and serve a lot more people in the long run if we do more of the preventative-type maintenance effort as opposed to the crisis intervention type.

Mr. WOOD. First, I want to agree with what Mr. Wiley said. One comment that I would like to make is that National Fuel, for a period of years now, has been trying to promote within the State legislature, a program in which senior citizens could arrive at some percentage of a discount on their utility bills for certain consumption levels to encourage conservation.

TWENTY-FIVE PERCENT CONSERVATION DISCOUNT PLAN

Last year, National Fuel suggested that the Pennsylvania State Legislature adopt a "conservation discount plan." It would assist eligible customers in coping with rising energy costs and encourage conservation.

All National Fuel customers who are 65 years of age or older, or permanently disabled, and whose total annual income is $10,000 or less within our Pennsylvania service area would be eligible for a 25-percent discount on their gas bill. To encourage conservation, the discount would be provided until the customer reached a consumption of 102 Mcf or until the 12-month period is completed.

The program also provides an energy audit, third party notification, balanced billing, and the adjustment of bill due dates to receipt of social security/pension checks.

National Fuel would be compensated for the reduction in heating bills through a credit on the gross receipts tax we pay to the general revenue fund. In 1980, our gross receipts tax in Pennsylvania came to $10,188,145.93. We estimated that 9.3 percent of our customers would be eligible or 16,784 people. The cost to the State

would be a maximum of $1,767,606.96—102 Mcf times 16,784 times 25 percent times $4.13 equals $1,767,606.96.

The State of Ohio has implemented a similar plan which they call the "energy credits program," and which has been very successful. Perhaps Pennsylvania will be more receptive to our proposal during the current legislative session.

Senator HEINZ. Thank you very much. Before we adjourn let me find out how many people would feel particularly interested in making comments. Would you try and keep your comments brief. Please identify yourself.

Mr. BROWN. My name is William Brown, and as long as this is an energy thing I would like to make a comment on it. I think we are really missing the point. I think it starts right at the beginning. As prices go up and you put more insulation in houses, pretty soon we are living in cocoons. And the gas company and the electric company—I am not blaming the gas alone—the whole bunch come around and say, "We are not making enough money, we have to raise this." Now, this is happening all the time. Now, unless we find some way to stop this continual rise in all energy, all sorts of energy, it is going to ruin the country. It takes care of the old people, the middle, and the young. I think this is our biggest problem, the energy of the United States in whatever form it is. They are dragging us right down to the bottom.

Senator HEINZ. A very well taken point. I thank you for making it.

Yes, ma'am, please state your name.

Ms. ESTES. I am Sandra Estes, coordinator of consumer affairs for Pennsylvania Electric Co. And I would like to say that we do have a program which started February 9 similar to P.G. & E.'s program in that it deals with a time of day rate. And people who need to upgrade their system in order to get on to that rate are able to borrow the savings. They would remain on the residential rate, but be metered on a special meter to determine the savings on the special rate, and, therefore, their savings would be a means of payback up to 5 years. If they had not paid the money back by then, then they would automatically go on the new saving rate. But the savings on that rate would be their means of payback, their credits would be that means of payback.

Senator HEINZ. Thank you.

Mr. CALVERT. My name is Robert Calvert. I am a retired economics teacher for the school district. I just want to take this opportunity to thank you for your support in Congress backing the social security recommendations of the National Retired Teachers Association.

Senator HEINZ. Thank you.

Mr. FARRELL. I am John Farrell and I would like, if I may, Senator, compliment Mr. Hill. Mr. Hill—he may have forgot—about 30 years ago he did me a tremendous favor. He ran a gasline from here to Timbuktu.

And I have a comment for Mr. Wood, if I may. I watched a television program some time ago, maybe 1½ years ago, and this gentleman got up and he was from National Fuel Gas. And he said—the question—I forget what local channel it was on. And they

asked him, "What do you do when the people don't pay?" And he said, "We just pass it on to those who are paying."

Is that true, Mr. Wood?

Mr. WOOD. Rephrase the question.

Mr. FARRELL. This fellow from National Fuel Gas was on television, being interviewed by one of our local TV stations. And the question was asked, "What do you do when those people don't pay, can't afford to pay?" He said, "Well, we just pass it on to those who do pay."

Mr. WOOD. You mean the unpaid balances?

Senator HEINZ. A bad debt. When there is a bad debt, who pays?

Mr. WOOD. The uncollectable bills are rolled into the rate base, so the good paying customer is unfortunately penalized.

Mr. MEYER. My name is Lou Meyer and I am with the Northwestern Consumer Council here in northwestern Pennsylvania, and I am also chairman of the Pennsylvania Power & Light Co. Consumer Advisory Panel in Allentown. Let me make just a couple of comments, if I may.

First of all, I think that when we are talking about the weatherization program, I think there absolutely has got to be a tiein with the low-income energy assistance program. And not just, hopefully, somebody signing up for weatherization, but an insistence that they sign up for weatherization. But we are going to have an awful difficult time across the Commonwealth. In terms of the weatherization program, if Congress doesn't do something about replacing the production of weatherization through the CETA program. Now, many programs in the Commonwealth ran their weatherization program through the CETA program. If we are going to eliminate the CETA program then how do we go ahead taking care of the production of the weatherization program?

Second, going back to a comment Mr. Wiley made, how can Congress identify ways in which a private sector can get involved in helping at the local level on these energy problems? I think we have already got a couple of pilot programs for that.

Pennsylvania Power & Light Co. has taken a chunk of money out of their charitable contributions budget and they have proportioned it through their different divisions and they have set up a screening program for people who are in dire need of assistance, and they can come apply for a grant.

Pennsylvania Electric Co. did the same thing about 4 years ago. The problem with Penelec is that they just do not advertise it, so nobody knows about it very much.

So, I think there is a pilot we can look to that can be utilized profitably in terms of how we want to get the private sector involved. It is not going to take care of the program. It is not going to take care of the need. But it certainly is there. And I will strongly suggest again, as we have done numerous times in the past, that National Fuel Gas try something like this. There is no reason why they cannot do it.

Third, I think that there is an absolute essential necessity for utility companies to construct and put together ongoing consumer advisory panels. I am not at all impressed with National Fuel Gas' advisory panel around here. I do think that you get a little bit of input. But you do not get the kind of input you want to be getting.

And if you had a good consumer advisory panel, you would be finding out how the seniors feel, you would be finding out how low-income people feel, you would be finding out what is going on out there, and you would be able to feed that in.

Finally, we all too often have a tendency to believe that there really is no relationship between the problem of utilities with older people and low-income people and some of the other problems that they have. Particularly the problems with nutrition. We have people all over this Commonwealth today, people who have given up money to pay their utility bills, and you say, well, it is either eat or heat. You bet it is eat or heat. But we do not realize that there are people all over the Commonwealth that are suffering from malnutrition. And if they have a heart attack during the course of that malnutrition, it is never identified as malnutrition. It is identified——

Senator HEINZ. We have had some testimony in that regard. I thank you very much for your statement.

Mr. ERON DE LEON SOTO. Senator, I am Eron De Leon Soto from the Hispanic-American Council.

One of my concerns has been the late charges that are being made to people that aren't receiving the energy assistance program. Definitely, the amount of money that goes on will certainly hurt them more than what they have been hurt before. And I would like to see if something can be done as far as avoiding those late charges that accumulate month after month. And I am speaking from October, November, December, January, and February. And when the people do not have the money to pay for the bills, these late charges accumulate more and more and more, and the assistance that they receive is being cut.

Senator HEINZ. Sir, I thank you very much.

Ms. CARTER. I am Nora Carter, and I am chairman of the advisory council of the retired senior volunteer program. These people that we have that are renting; what do you do about the insulation there?

Mr. WILEY. That has been a problem, Ms. Carter, as far as the rent program. We received approval, I think it was last year sometime, through the Department of Community Affairs, where we could make arrangements with the landlords to do their property as long as we got an agreement from them that they were not going to raise the rent as a result of that. So we have done some of that.

But that has been a secondary to our primary efforts, which was to go out and weatherize homes of the elderly who were homeowners. And I think that is going to continue to be a problem just from the standard of resources. So there is not really much we can do given the resources that we have right now.

Dr. FRISCH. Yes. You mentioned coordination and corroboration and used GECAC and the Erie County Board of Assistance as a good example. I think in some of the more rural counties we are encountering tremendous turf battles and the use of the weatherization program for political ends. Instead of the agencies cooperating with one another, they are competing. Those agencies who are controlled by county government can be very highly politicized.

We have an excellent relationship with our county board of assistance and can work wonders with their program. With the Community Action Agency we are lucky if we can get the use of that one kerosene heater which we put in that home for 1 week.

Senator HEINZ. Jack, what do you suggest we do about that?

Dr. FRISCH. Well, I worry about the politicization of programs. I have some solutions to it, but I am not sure I would like to go on public record with them.

Senator HEINZ. Ladies and gentlemen, thank you very much.

The hearing is adjourned.

[Whereupon, at 12:15 p.m., the hearing adjourned.].

APPENDIX

MATERIAL RELATED TO HEARING

LETTER AND ENCLOSURE FROM MICHAEL W. MOWREY, CORONER, CLEARFIELD COUNTY, DU BOIS, PA., TO SENATOR JOHN HEINZ, DATED FEBRUARY 16, 1982

DEAR SENATOR HEINZ: I truly regret not being able to appear in person for the hearing on the matter of hypothermia and its effects upon the elderly. This is most certainly a matter to which more attention must be directed in the very near future in order to prevent any such occurrences from being repeated in the future. I am sure that the concern being given to this problem will result in numerous measures which can be used to prevent harm or death from coming to our senior citizens.

Please accept the following copy of my file regarding the death of Wynona Ogden, and my letter of remarks concerning the true problem of hypothermia and its threat to the elderly; this data is being presented for entry into the formal record of your hearing.

In closing, I again apologize for not being able to be present; Mr. Rodgers of your staff can explain my absence. I commend you and your Committee on Aging for your fine work. It is indeed pleasing to see a Federal official who truly cares about our citizens who are in their "golden years." Perhaps in the future I may be of service to you or your committee again.

Sincerely,

MICHAEL W. MOWREY.

Enclosure.

OFFICE OF THE CORONER
CLEARFIELD COUNTY

CORONER'S AFFIDAVIT OF DEATH

Full Name of Deceased WYNONA (First) M. (Middle) OGDEN (Last)

Usual Address RD#4 (Number) DuBois (Street) DuBois (Town) Clearfield (County) PA (State)

Place of Death Main Ave. Hospital City of DuBois (City, Borough or Township), Clearfield County, Pennsylvania

Sex female Race Caucasian Age 73 Date of Death January 17, 1982

CAUSE OF DEATH

Immediate Cause Hypothermia

Suicide ☐

Accident ☒

Homicide ☐ How did injury occur? Exposure to extreme cold temperatures in a residence with minimal heat.

Natural Death ☐

This is to certify that the information given above is true and correct, according to the records of the Coroner of Clearfield County, Commonwealth of Pennsylvania.

Bearing my hand and seal:

Michael W. Mowrey
Coroner of Clearfield County
Commonwealth of Pennsylvania

This 16th day of February 19 82

CORONER'S OFFICE

MICHAEL W. MOWREY
Coroner

OFFICE ADDRESS
317 WEST WEBER AVE.
DUBOIS, PA. 15801

814 371-7701

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CLEARFIELD

THIS IS TO CERTIFY THAT

I conducted an Official Investigation into the Death of

Case No. M-12-82
Date of Investigation 1-17-82
Time of Departure Base 0915 hrs.
Time of Arrival Back 1215 hrs.
Total Miles On Case 42
You Made Removal Yes ..... No X

Name of Deceased MYNONA M. OGDEN
Home Mailing Address RD#4 DuBois
City DuBois State PA Zip 15801
Date of Birth 9-1-1908 Age 73 Social Security No. n/a
Sex female Race Caucasian Marital Status widow Occupation domestic
Name of Person in Charge Edward Ogden Relationship son
Address of Next of Kin RD#4 DuBois
City DuBois State PA Zip 15801
Phone (814) 583-7378 Have been Notified X Yes ..... No
Date of Death 1-17-82 Time of Death approx. 0500 hrs.
Date Found 1-17-82 Time Found 0900 hrs.
Place of Incident Ogden residence (DuBois-Rockton road)
Natural ( ) Accident (X) Suicide ( ) Homicide ( ) Other ( )
Place of Death Maple Avenue Hospital DuBois, PA
Town or Township of Death City of DuBois
CAUSE OF DEATH: E.R. ..... D.O.A. X D.A.S. ..... Other .....
Immediate Cause Hypothermia
Due to .....
Was the Deceased under care of Doctor Yes ( ) No (X) Whom .....
Was there Autopsy No. What Dr. ..... Date ..... Place .....
Date of Injury 1-17-82 Time of Injury approx. 0100 hrs.
Injury occurred at work ..... Not at work X

FOR MOTOR ACCIDENTS ONLY **Accident Happened Where** .....
North ( ) South ( ) East ( ) West ( ) of .....
on Route #..... in ..... Twp. ..... County
Vehicle No. 1 going North ( ) South ( ) East ( ) West ( )
Vehicle No. 2 going North ( ) South ( ) East ( ) West ( )
Driver ( ) Occupant ( ) Pedestrian ( ) other .....
Outside Weather ..... Highway Condition ..... Day ..... Night .....
Police Dept. Involved At Scene .....
Officer involved ..... Office Phone .....
.....
Second Officer involved .....

Blood taken Yes ( ) No (X) Where ..... Date ..... Time .....

Who took Blood ..... Witnessed by .....

X-Rays by: ..... n/a ..... Toxicology by: ..... n/a .....

Blood sent to State Lab Yes ..... No .....

Photographs taken Yes ( ) No (XX) By ..... Time Date .....

Remarks about case such as others involved, how many, any witnesses, how happened, make of car, etc,: .....

Subject arrived at Maple Ave. Hospital via Brady Twp. Ambulance at 0913 hrs. Body extremely cold but without significant rigor mortis. Residence of the subject described by ambulance personell as "very cold inside". Subject had a body temp. of 82F (rectal) upon admission to E.R. K-Thermia blanket was applied; external temp. taken to 100F without noticeable increase of internal temp. pronounced dead on arrival at E.R. at 0913 by J. Dufendach M.D. Last seen by personal physician C. Blakeslee,D.O. some years ago. K-Thermia was applied for diagnostic purposes in this situation. The subject's dwelling has a minimal amount of heat from various sources in the home, none central.

Funeral Director Name Mohney-Yargar Funeral Chapel Inc.

Address 142 West Long Avenue DuBois, PA

Zip Code 15801 Phone 371-2521 Date Released 1-17-82

Phone Calls made Yes ( ) No (XX) to whom ..... No. .....

Long Distance Calls ..... Calls made to ..... Time ..... Date .....

List of personal belongings and valuables received by Coroner's office .....

NONE

Turned over to (signed) ..... n/a ..... Date .....

Witnessed by ..... n/a ..... Where .....

Body Removed from Scene by Mohney-Yargar Staff ..... To Mohney-Yargar Funeral Chapel

Are we responsible for payment Yes ( ) No (XX)

To best of my knowledge these are my findings as a result of my official investigation.

Signed by Michael W. Mowry ..... Title Coroner

Date Signed 1-20-82

Form should be filled out and turned into Coroner within 48 hrs. with copy of Death Certificate.

Remarks on Hypothermia: Wynona Ogden File

In the case regarding the hypothermia death of Wynona Ogden, of Clearfield County, which occurred on January 17, 1982, we had the occasion to see a truly unique situation. The Ogden residence is an old, two-story farmhouse, located in a rural section near DuBois. At the time the incident occurred there were two persons in the dwelling. Mrs. Ogden was on the first floor of the dwelling, and her son was residing on the second floor. The room in which her son was located had a small heat source in the room itself. The room in which Mrs. Ogden slept and the bathroom in which she was found are both heated by a small coal stove located in the kitchen. The amount of heat which she would receive from this source can be described as minimal, if any at all. When she collapsed, she fell to a linoleum floor and was dressed only in her nightclothes. She was found there some time later by her son. When he could not receive any response from his mother he summoned an ambulance. She was transported to Maple Avenue Hospital in DuBois where she was placed in the emergency room for treatment of possible hypothermia. At that time she had a body temperature of 82° (rectal). This is within the range of temperatures used for induced hypothermia as an anesthetic. When the body temperature is this low, it is necessary to monitor the subject's vital signs very closely, for the patient can develop severe cardiac irregularities and respiratory difficulties very quickly. We were able to place her last known movements at approximately 11 p.m., January 16, 1982. She was discovered at approximately 9 a.m. on January 17, 1982. Due to the condition of the body, and the temperature, we were able to place the approximate time of death at 5 a.m. on January 17, 1982, and the time of her collapse as being some 4 hours prior.

In the emergency room, a device known as a hypothermia blanket was applied to the deceased in an effort to raise the internal body heat. Although the external body heat was raised to 100° F, and held at that level for some time, the internal body heat remained the same. We know that the human body looses approximately 1° of internal temperature every hour after death, until it reaches a temperature nearly equivalent to the body's surrounding environment. In the case of Mrs. Ogden it would be improper to assume the body temperature she exhibited was due solely to loss of life. The recorded temperature outside on the night of her death was −22° in nearby DuBois. Although the temperature inside the home was not the same as outside on the night in question, it is reasonable to assume that without proper heating the temperature inside the dwelling would be sufficient to cause a hypothermia threat. I also took into consideration the age of the victim. In our older citizens, most of whom experience some sort of circulatory insufficiency, hypothermia can occur quite rapidly due to the heat loss being experienced by the impairment of the circulatory system itself. It is also my opinion, after a careful examination of all data gathered, that the actual collapse of the subject was due to the fact that she had already entered a hypothermic state.

Clearfield County has three large modern hospitals; all of these institutions are equipped to handle a hypothermia situation should it arise.

NOTES ON HYPOTHERMIA

Symptomatic and accidental hypothermia: "a pathologic reduction of body temperature as a result of decreased heat production or of increased heat loss. Hypothyroidism, severe blood loss with failure of the circulatory system, and damage to the heat-producing cells of the hypothalamus can lead to decreased heat production. Prolonged exposure to cold temperatures, overdosage of antipyretic drugs such as aspirin, and profuse sweating (diaphoresis), are some of the causes of increased heat loss and resultant hypothermia." (Encyclopedia & Dictionary of Medicine, Nursing, and Allied Health) Benjamin F. Miller, M.D. and Claire B. Keane, R.N., B.S., M. Ed.

Hypothermia is extremely and acutely dangerous to the very young and the very old. Especially those with prior circulatory problems.

The general public is, I find, for the most part unaware of how really severe hypothermia can be. Also, they are unaware of how easy it can be to develop this true life-threatening situation.

SUGGESTIONS FOR DEALING WITH THE SITUATION OF HYPOTHERMIA

(1) An aggressive campaign each year, prior to the arrival of cold weather, to alert our citizens of the possibility of occurrence; and measures to take in order to prevent it.

(2) Alert our elderly against heavy or constant use of antipyretic drugs during the periods of prolonged cold weather.

(3) Through the county agency for aging establish which clients do not have an adequate heat source for their homes; establish if those who use solid fuel are physically capable of maintaining an adequate level of heat in their dwelling. If necessary, these individuals should be checked with periodic frequency to assure that their health is not in danger.

(4) Strengthen legislation for emergency fuel allocations. Especially in regards to the elderly citizen.

STATEMENT OF THE REVEREND VINCENT L. ENRIGHT, DEPARTMENT OF COMMUNITY ACTION, ERIE, PA.

I am the Reverend Vincent L. Enright, cofounder with Msgr. Richard J. Fitzgerald of Crossroads Facility for Alcoholics, and a candidate for a doctor of philosophy in the School of Social Work of the University of Pittsburgh. I received a fellowship from the National Institute on Alcohol Abuse and Alcoholism (NIAAA) for four semesters (16 months) to complete all my course work for the doctorate. At present I am researching for my doctoral dissertation on public policy and the skid-row alcoholic.

The relevance of all this to this present hearing is that the subject of hypothermia and the elderly person is the focus of this hearing. Each year, in Erie, there is at least one death among alcoholics from freezing, and numbers of serious cases of frostbite. Wednesday night, according to my sources, there were about 16 homeless men jammed in the Union Station. My informant was one of these men. He estimates that almost every night, in addition to those who are at the Union Station, there are perhaps four or five persons at the "hotplate," the steam vent of the Penelec powerplant at the foot of French Street, and two persons sleeping in the Greyhound buses parked at terminal, and probably six others in parked and junked cars and other places of refuge. From 12 to 24 homeless men in Erie exposed to our bitterly cold winter weather without shelter of their own, that is warm and secure, each night.

Not all of these persons are old, and not all are alcoholics. But a number of them have solid copper livers and stainless steel pancreases. Moreover, the death of a person is tragic, whether he or she be an alcoholic or not. To be sure, however, there are many marginal people on the streets of every city. It is our privilege and duty to care for them. It is my concern that the Senate Special Committee on Aging be concerned with alcoholism as it afflicts the older person. And it is my concern that this committee continue its support of the human services network that has been constituted in our country for half a century in response to the misery of the Great Depression.

We need, for example, such programs and agencies as Crossroads Center for Alcoholics, the family crisis intervention program for family breakdowns, St. Martin Center for emergency help, Stairways, Inc., for persons released from institutional mental care, St. Vincent mental health and alcoholism wings for detoxification and counseling. There are typical agencies for the care of our people in Erie. There are at least 164 agencies in Erie for human services. The network of human services that we have here is duplicated and, probably surpassed in all major cities in the United States.

I feel that the administration's "New Federalism," while it is noble in its aims, is simplistic, and even juvenile in its contact with reality. It is a showcase, not a dynamic concept and concern in view of the needs of people out here. It takes apart a system of care of human beings that was forged out of depressions, and wars, and changes in American life—without offering a proven substitute. A rabbi of my acquaintance, when I asked him what question would he pose to you, if you came to Erie (you sent Cliff Shannon, thank you!), said: "If Reaganomics fails, will the administration be ready to admit it and change directions?" The answer, so far, is, "No!"

STATEMENT OF BOB LATHROP, ERIE DIRECTOR, PENNSYLVANIA PUBLIC INTEREST COALITION, PHILADELPHIA, PA.

Energy Assistance and Senior Citizens

Senator Heinz, it's a pleasure to be able to testify before your committee today. Here in northwest Pennsylvania the winters can indeed become life-threatening in

their severity. This is especially true for the older citizens of our community. For this reason we are sincerely appreciative of your efforts to hear what President Reagan termed, in a letter to you and other Congressmen earlier last week, "the real voices of the American people."

My task this morning, Senator, is to relate the need for energy assistance for older Americans against a dark and bleak picture of budget cuts; tax cuts that benefit the wealthy and large corporations; a deregulation mania no matter what the human costs, and now, most recently, an attempt to shirk national problems and responsibilities by a revolutionary restructuring of governmental roles.

The last, of course, is in reference to the recent "New Federalism" proposal put forward by the present administration. I, for one, Senator, feel it more accurate to call the "New Federalism" the "New Parochialism." What the "New Parochialism" refuses to understand, is that national problems require national solutions. And one of the most pressing and urgent of our national problems is the availability and cost of energy and the effects on our senior citizens, as well as the rest of our society.

Energy policy touches us all—when we eat and when we heat our homes; when we buy products and services; when we drive our cars or ride the bus. Our plants, factories, and stores require it; our jobs depend on it. Our schools and other public services can't survive without it. The local, State, and national economy are inextricably linked to our energy policy.

The need for energy assistance, in the first place, seems to come from rapidly rising fuel costs in the face of dwindling incomes. From October 1972 until October 1980, the overall Consumer Price Index rose 100 percent, but the increase in energy costs was 200 percent. Lower income households are spending an increasingly larger percentage of their income on energy, yet their energy consumption is lower than that of other households. For seniors, a fixed income means a shrinking income. Additionally, the Governor's energy policy states, "The homes and apartments of low-income people are likely to lack many of the energy conservation features found in middle and upper income homes. Approximately 43 percent of low-income residences have no insulation, 58 percent have no storm doors or windows, and 39 percent have no thermostats or valves for temperature control."

Since the passage of the Natural Gas Policy Act of 1978 we have seen natural gas costs rise at approximately a 20-percent annual rate. Here in Erie, the rise in gas costs has been virtually the same. If this wasn't bad enough now we have to weather the continued threats of the Reagan administration, as well as the major oil companies, to accelerate decontrol of natural gas. This could be one of the most disastrous measures to hit the entire economy in decades.

In short, it would probably double consumers' gas bills; create more inflation; increase unemployment drastically; cause cutbacks in public services or a rise in local and State taxes; burden businesses with still higher costs, and force Pennsylvania to ship yet even more badly needed capital to the already oil-rich States. It's only because "the real voices," that President Reagan speaks of, have cried "enough is enough" that the promised decontrol measure has not been introduced.

But, as if those voices weren't real enough, now we face another threat. And this threat is more hidden and is trying to enter by the "back door." That, of course, is the attempt by the Federal Energy Regulatory Commission (FERC) to, in effect, decontrol gas prices adminstratively without having to hear those "real voices." Playing the same role on the national level as our own PUC in Pennsylvania, FERC sets natural gas prices at the wellhead and in interstate sales. Some 80 to 85 percent of the price we pay for gas is set by FERC at the national level.

Recently we saw FERC designate gas from "tight sands formations" as a "high risk" gas and allow it to be sold at much higher prices. Much of the gas found locally in the northwest Pennsylvania area is of the tight sands variety.

Presently, FERC has pending, a proposal to make intermediate deep gas (from wells 10,000 to 15,000 feet) a "high risk" gas and thus a high cost gas. This of course is being done without the knowledge of the public at large, and thus we could end up having our gas decontrolled by an unaccountable regulatory agency; certainly not in the spirit of Reagonomics.

The five Commissioners who comprise the Federal Energy Regulatory Commission are, in theory, independent. By law, they must protect the interests of the American consumer. Three of these members have been appointed by decontrol advocate, President Reagan. The Chairman, Mike Butler, is an avowedly open decontrol advocate. It is of little surprise, either, when you consider that he formerly practiced energy law for the Texas law firm of Baker & Botts, whose clients include some of the giants of the oil and gas industry.

Even without decontrol of natural gas, whether legislatively or by the "back door" of FERC, energy assistance is crucial. That is why the recent 1983 proposed budget

comes as such a shock. The proposed cutback in low-income energy assistance ranks second only to employment and training programs for having the dubious honor of the highest percentage cutback in programs for the poor and needy.

The proposed cut, as I'm sure you're well aware, is set for 25.8 percent. Now, I know that the President has said that we "can vote with our feet" if we don't particularly like the effects of his present policies here in the Northeast and Midwest, but please Senator, at least let our feet be warm.

If preliminary figures from Washington prove accurate, it is estimated that the shortfall from actual windfall profits tax revenue, and that which should have gone to low-income energy assistance, will total more than $1.5 billion. That is more than the actual amount requested by the Reagan administration in the fiscal year 1983 budget.

I urge you, Senator, to oppose the proposed cut in energy assistance, as it clearly doesn't take into account the "real voices of America." To that end, I would like to suggest a couple of concrete actions you can take that would help stop the unconscionable price rises in natural gas.

One: By intervening in the present FERC rate case (docket No. RM82-8) you can stop an unneeded price increase. Further, by requesting the chairman of the Energy Regulation Subcommittee to hold oversight hearings on recent and future FERC rate cases, you can send a signal to FERC that the Senate will be watching; and assuring that their actions reflect the "public interest" and not the special interests of big oil companies.

Two: Today, you can sign a congressional pledge, assuring your support for seniors, working people, and the majority of Pennsylvania's citizens, and their need for reasonably priced energy. The pledge would signify your opposition to decontrol of natural gas legislatively and administratively.

I urge you to do both as well as oppose the proposed cut in energy assistance.

Thank you.

STATEMENT OF LOUIS S. MEYER, NORTHWEST PENNSYLVANIA CONSUMER COUNCIL, EDINBORO, PA.

Senior Citizens and Energy Assistance Programs

On behalf of the Northwest Consumer Council members I want to express our appreciation for this opportunity to testify on energy needs and assistance programs for the elderly. For several years now the council has been actively involved in utility and energy matters, including involvement in consumer advisory panels and consumer-industry roundtables with a number of utility companies and associations.

Our concerns center on several aspects of energy assistance. The council strongly supports Federal funding of low-income energy assistance with priority given to the elderly, handicapped, and neediest individuals. While local efforts are, in effect, in some areas, to provide such assistance, these efforts are limited due to the enormity of the problem. But I want to emphasize that weatherization should become an integral part of the low-income energy assistance program. A major contributing factor to the inability of low-income persons to pay their energy bills is that many of them live in thermally inefficient housing.

In order to curb ongoing dependency upon the Government to assist people each winter, it is recommended that homeowners who apply for energy assistance, should sign up for weatherization if they have not already done so. In addition, with respect to low-income persons who rent, weatherization agencies and landlords should be encouraged to work toward weatherization of rental properties.

A major problem in the weatherization program is the critical cutback and, now, the probable elimination of the CETA program. This program has been a primary source of labor for weatherization. In addition, funding cuts for community action programs will only compound this entire problem.

A second area that the council is concerned about is outreach for the energy assistance programs. Under Pennsylvania's State plan for the LIEAP program, the county assistance officers are given the primary responsibility for all outreach efforts except for the elderly. It is no secret that these offices do not have adequate personnel or funding to do effective outreach work.

The Department of Aging is charged with providing outreach to the elderly population. But LIEAP is not a Department of Aging program and does not have funding needed to conduct extensive outreach activities. The primary activity of the local area agencies on aging has been to assist senior citizens in filling out LIEAP applications. This lack of a comprehensive and well-funded outreach program, particular-

ly at the local level, has serious implications for low-income persons who need energy assistance. We strongly recommend that representatives from social agencies, consumer groups, fuel vendors, area agencies on aging, and other government agencies be brought together to develop a well-coordinated outreach program. LIEAP cannot be effectively administered without adequate funding and the cooperation of all affected parties.

A third issue, we believe needs attention, is that of emergencies. Adequate funding must be available for such situations. But the issue has several other related problems:

(1) Fuel oil dealers are reluctant to deliver less than 150 gallons of oil even though the Pennsylvania State plan calls for 100 gallons.

(2) The price equivalency of other types of fuel is difficult to determine.

(3) CAP agencies lack sufficient staff and resources to provide effective emergency service and some counties in Pennsylvania chose not to provide any emergency service last year.

(4) CAP agencies do not have the capability to store and deliver emergency fuel if vendors refuse to cooperate.

In order to improve the delivery of emergency fuel assistance, the council strongly recommends that the designated governmental office or social agency receive adequate funding to administer and coordinate this program. Such a designee should have an approved plan for providing emergency fuel assistance before any funds are allocated.

A further issue that has created serious problems in numerous areas concerns delivery and payment for heating oil. Fuel oil dealers demand payment based on their deliveries from their distributors. These dealers usually have a 30-day credit maximum. The payment due date has been anywhere from 15 to 30 days depending upon the company. However, with the escalation of fuel oil prices the 30-day credit maximum has been reached earlier and earlier in the month. As this happens, distributor demands for payment from dealers increases with a corresponding demand by the dealer on consumers. Many fuel oil dealers refuse credit to LIEAP applicants and this has a significant effect on many households.

While the council recognizes the needs of local oil dealers, oil companies could afford an extended payment period for distributors with the dealers and consumers sharing in the positive effects from such action. It should also be pointed out that vendor payments often run weeks and months before being made, and this matter is in need of streamlining. With this matter corrected, it is possible that additional oil dealers could be encouraged to participate in the LIEAP program.

A further issue that is important in energy programs for the elderly, is the need for improved communication between State agencies and social agencies concerning such things as interpretation of program guidelines and implementation of program procedures.

Because agencies other than county assistance offices function as an integral part of LIEAP, we recommend that outreach workers from these agencies should receive the same training that is given to CAO personnel relative to the procedures and rules of the program. In addition, all notices of rule changes, new interpretations, program timetables, etc., should be sent to all agencies that interface with LIEAP. Finally, local CAP agencies and area agencies on aging should be allowed to do intake work in order to expedite the payment process.

CONCLUSIONS

Several of these issues may be regarded as beyond the domain of the Federal Government. However, they are brought out here to underscore the various aspects of energy assistance programs for the elderly that must be recognized if the programs are to be effective.

Given rising energy prices, increased needs for assistance, and cutbacks in Federal funding, coupled with the large number of low-income households already receiving assistance, a comprehensive federally funded energy assistance program is needed. Irrespective of the leveling-off of heating oil prices for the moment, natural gas prices are expected to continue to rise, increasing the problem for millions of consumers. Together, fuel oil and natural gas constitute the significantly largest number of homes and, thus, the situation becomes increasingly critical as prices go up—whether either or both of the sources. Further, as other program cuts are made in health care, food stamps, rent rebates, and the like, the problem for payment of energy needs becomes more and more aggravated. Thus, the budget cutbacks impact on a broad front of programs with each program having an effect on the ability of older adults to pay for heating oil or natural gas.

While most suggestions on how to cope with the energy crisis regarding senior citizens centers on Government assistance, the council suggests two ways in which the private sector can become directly invoved in this matter. First, utility companies can follow the lead of the Pennsylvania Power & Light Co., and the Pennsylvania Electric Co. in taking a portion of charitable contributions and setting it aside as an emergency financial assistance program. The project is carried out by means of a screening committee (usually the CAP agency) once a person has applied for emergency assistance. It is not suggested that this is the problem cure-all; it does, however, address the critical emergency problem which is not adequately coped with at the present time.

The second way companies can become involved is by establishing joint consumer-company advisory panels, a mechanism which now has a good record of achievement and should be made operative in all investor owned and municipal companies. The idea has been adopted by A.T. & T. and the Bell System, Pennsylvania Power & Light Co., the American Gas Association (AGA uses the roundtable concept), General Telephone of Pennsylvania, Florida Power & Light, and many other companies. Further information concerning such panels will be provided the committee on request.

Finally, the council urges the committee to be especially sensitive to the critical relationship between energy, food, and health. As energy costs rise, seniors take available dollars from food budgets to pay for their energy costs. In too many cases, these actions lead to health problems—often to malnutrition. However, when many of these older adults have ensuing heart attacks and other difficulties resulting from inadequate sustenance, the diagnosis is hardly ever malnutrition. We must be alert that indeed there is far more malnutrition across America among older adults than we care to admit.

Again, we thank you for the opportunity to present this testimony.

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